

VOLUME 5
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HOUSE
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SEVENTY-THIRD SESSION

OF THE
LEGISLATURE

STATE OF MINNESOTA

1984

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STATE OF MINNESOTA

SEVENTY-THIRD SESSION - 1984

SEVENTY-SEVENTH DAY

SAINT PAUL, MINNESOTA, FRIDAY, APRIL 13, 1984

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

Prayer was offered by Reverend Stephen De Mars, Christian and Missionary Alliance, Tyler, Minnesota.

The roll was called and the following members were present:

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

A quorum was present.

Hoberg and Rodosovich were excused.

Burger and Knuth were excused until 1:30 p.m. Himle was excused until 2:00 p.m. Heap was excused until 2:30 p.m.

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

REPORTS OF CHIEF CLERK

Pursuant to Rules of the House, printed copies of H. F. Nos. 1524, 1884, 2151, 2198, 2248, 377, 1373, 1454, 1766, 1967, 2135, 2122, 2263, 1721, 1846, 63, 1230, 1284, 1285, 1554, 1579, 1665, 1902, 1400, 1547, 1638, 1806, 1935 and 1950 and S. F. Nos. 1112, 1576, 1588, 1931, 2076, 1332, 1474, 1466, 1589, 1590, 1546, 1772, 1867, 1973, 2077, 1702, 1669, 1789, 1790, 1794, 1825, 1628, 1351, 1504, 1511, 1477, 1642, 1473, 1740, 1853, 1859, 1905, 1954, 1974, 1815, 234 and 1454 have been placed in the members' files.

S. F. No. 2076 and H. F. No. 2177, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Munger moved that S. F. No. 2076 be substituted for H. F. No. 2177 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1931 and H. F. No. 1952, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Cohen moved that S. F. No. 1931 be substituted for H. F. No. 1952 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1790 and H. F. No. 2299, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Norton moved that S. F. No. 1790 be substituted for H. F. No. 2299 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1859 and H. F. No. 1820, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Quinn moved that S. F. No. 1859 be substituted for H. F. No. 1820 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1867 and H. F. No. 1872, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Clawson moved that S. F. No. 1867 be substituted for H. F. No. 1872 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1789 and H. F. No. 2302, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Norton moved that S. F. No. 1789 be substituted for H. F. No. 2302 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1589 and H. F. No. 1630, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Neuenschwander moved that S. F. No. 1589 be substituted for H. F. No. 1630 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1853 and H. F. No. 1822, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Carlson, D., moved that S. F. No. 1853 be substituted for H. F. No. 1822 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1815 and H. F. No. 1892, 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. 1815 be substituted for H. F. No. 1892 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1794 and H. F. No. 1791, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Tunheim moved that the rules be so far suspended that S. F. No. 1794 be substituted for H. F. No. 1791 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1466 and H. F. No. 1847, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Neuenschwander moved that the rules be so far suspended that S. F. No. 1466 be substituted for H. F. No. 1847 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1112 and H. F. No. 1330, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Den Ouden moved that the rules be so far suspended that S. F. No. 1112 be substituted for H. F. No. 1330 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1546 and H. F. No. 1618, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Minne moved that the rules be so far suspended that S. F. No. 1546 be substituted for H. F. No. 1618 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1954 and H. F. No. 1871, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Welle moved that the rules be so far suspended that S. F. No. 1954 be substituted for H. F. No. 1871 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1504 and H. F. No. 1635, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Peterson moved that the rules be so far suspended that S. F. No. 1504 be substituted for H. F. No. 1635 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1973 and H. F. No. 2097, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Clark, J., moved that the rules be so far suspended that S. F. No. 1973 be substituted for H. F. No. 2097 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1702 and H. F. No. 1666, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Anderson, G., moved that the rules be so far suspended that S. F. No. 1702 be substituted for H. F. No. 1666 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1477 and H. F. No. 1767, 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. 1477 be substituted for H. F. No. 1767 and that the House File be indefinitely postponed. The motion prevailed.

PETITIONS AND COMMUNICATIONS

The following communications were received:

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

April 6, 1984

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

The Honorable Jerome M. Hughes
President of the Senate

I have the honor to inform you that the following enrolled Act of the 1984 Session of the State Legislature has been received from the Office of the Governor and is deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

<i>S.F.</i> <i>No.</i>	<i>H.F.</i> <i>No.</i>	<i>Session Laws</i> <i>Chapter No.</i>	<i>Date Approved</i> <i>1984</i>	<i>Date Filed</i> <i>1984</i>
1476		376	April 6	April 6

Sincerely,

JOAN ANDERSON GROWE
Secretary of State

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

April 10, 1984

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

The Honorable Jerome M. Hughes
President of the Senate

I have the honor to inform you that the following enrolled Act of the 1984 Session of the State Legislature has been received from the Office of the Governor and is deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

<i>S.F.</i> <i>No.</i>	<i>H.F.</i> <i>No.</i>	<i>Session Laws</i> <i>Chapter No.</i>	<i>Date Approved</i> <i>1984</i>	<i>Date Filed</i> <i>1984</i>
1475		377	April 9	April 10

Sincerely,

JOAN ANDERSON GROWE
Secretary of State

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

April 11, 1984

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

The Honorable Jerome M. Hughes
President of the Senate

I have the honor to inform you that the following enrolled Act of the 1984 Session of the State Legislature has been received from the Office of the Governor and is deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

<i>S.F.</i> <i>No.</i>	<i>H.F.</i> <i>No.</i>	<i>Session Laws</i> <i>Chapter No.</i>	<i>Date Approved</i> <i>1984</i>	<i>Date Filed</i> <i>1984</i>
1453		378	April 10	April 11

Sincerely,

JOAN ANDERSON GROWE
Secretary of State

REPORTS OF STANDING COMMITTEES

Rice from the Committee on Appropriations to which was referred:

H. F. No. 49, 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.

Reported the same back with the following amendments:

Page 2, line 7, after "birthday" insert "*, the third Monday in January*"

Page 2, line 18, after "birthday" insert "*, the third Monday in January*"

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. 100, 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; and 62E.531, subdivision 2.

Reported the same back with the following amendments:

Page 1, line 18, strike "\$15,000" and insert "\$20,000"

Page 1, line 19, strike "\$15,000" and insert "\$20,000"

Page 1, line 20, strike "\$25,000" and insert "\$30,000"

Page 1, line 21, strike "\$25,000" and insert "\$30,000"

Page 1, line 22, strike "\$2,500" and insert "\$3,000"

Page 2, line 3, reinstate "(SUBSEQUENT TO JULY 1,)"

Page 2, line 3, before "within" insert "1984 and"

Page 2, line 18, before the period insert "*or general assistance medical care under chapter 256D*"

Page 2, line 25, strike "\$15,000" and insert "\$20,000"

Page 2, line 26, strike "\$15,000" and insert "\$20,000"

Page 2, line 27, strike "\$25,000" and insert "\$30,000"

Page 2, line 28, strike "\$25,000" and insert "\$30,000"

Page 2, line 29, strike "\$2,500" and insert "\$3,000"

Page 3, delete lines 20 to 22 and insert:

"The sum of \$2,500,000 is appropriated from the general fund to the commissioner of public welfare for the fiscal year ending June 30, 1985, for the purposes of sections 1 to 5. Of this amount, \$60,000 is available to the commissioner for county administrative costs and \$120,000 for staff, office equipment, data processing, and training."

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. 361, 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.

Reported the same back with the following amendments:

Page 1, line 15, after "*commissioner of education*" insert "*in consultation with the commissioner of public safety*"

Page 1, line 19, delete "*approved*"

Page 1, line 20, after "*organizations*" insert "*conducting traffic safety education programs approved by the commissioner of education*"

Page 1, line 21, after "*commissioner of education*" insert "*in consultation with the commissioner of public safety*"

Page 1, line 23, delete "*approved*"

Page 1, line 24, delete "approved"

Page 1, line 25, after "programs" insert "approved by the commissioner of education"

Page 1, line 26, after "commissioner of education" insert "in consultation with the commissioner of public safety"

Page 2, line 2, after "commissioner of education" insert "in consultation with the commissioner of public safety"

Page 2, line 7, delete "Money in the" and insert "There is appropriated from the trunk highway fund to the commissioner of education all moneys deposited pursuant to section 2 for the fiscal year ending June 30, 1985."

Page 2, delete lines 8 and 9

Page 2, line 10, delete "provisions of subdivisions 1 and 2."

Page 2, line 28, delete "fund" and insert "account within the trunk highway fund"

Page 2, line 32, delete "fund" and insert "account within the trunk highway fund"

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. 1069, A bill for an act relating to federal block grants; providing for annual legislative hearings on federal block grant implementation and effects; proposing new law coded in Minnesota Statutes, chapter 3.

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

The report was adopted.

Rice from the Committee on Appropriations 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 following amendments:

Page 1, line 13, before "PIPING" insert "*HIGH PRESSURE*"

Page 2, line 28, delete everything after the second comma

Page 2, line 29, delete the first "*and*" and insert "*provide for the*"

Page 2, line 29, delete "*systems*" and insert "*system materials and construction,*"

Page 2, line 31, delete everything after "*with*"

Page 2, line 32, delete the first "*ordinance*" and insert "*state standards*"

Page 2, line 33, delete "*approving plans*" and insert "*assuring compliance with state standards*"

Page 3, line 1, delete "*minimum*"

Page 3, line 7, delete the comma

Page 3, line 8, delete "*that issue high pressure piping permits*" and insert "*which have a letter of agreement with the department of labor and industry to perform inspections,*"

Page 3, line 11, delete everything after the period

Page 3, line 12, delete "*inspection fee is a fixed amount*"

Page 3, line 13, delete "*filing*" and "*or \$10, whichever is*"

Page 3, line 14, before "*greater*" insert "*but shall not be less than \$10, nor*"

Page 3, line 14, before the period insert "*than \$2,000*"

Page 3, line 14, delete everything after the period

Page 3, delete lines 15 and 16

Page 4, line 11, reinstate the stricken language

Page 4, line 12, reinstate "*shall be required for*" and "*repairs on existing installations*"

Page 4; line 15, reinstate the period

Page 5, line 28, reinstate "and repair"

Page 6, after line 36, insert:

"Sec. 7. [APPROPRIATION.]

For the fiscal year ending June 30, 1985, the sum of \$197,200, is appropriated from the general fund to the commissioner of labor and industry. This appropriation is for increased personnel and expenses related to the duties contained in this act. The approved complement of the department of labor and industry is increased by five.

It is estimated that \$197,200, in nondedicated receipts will be deposited in the general fund in fiscal year 1985 resulting from fees authorized in this act."

Re-number subsequent section

Amend the title as follows:

Page 1, line 3, delete "regulating pressure vessels;"

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. 1303, A resolution memorializing the President and Congress to establish a National Academy of Peace and Conflict Resolution.

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

The report was adopted.

Rice from the Committee on Appropriations 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; amend-

ing 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 1, line 16, delete "*energy*"

Page 1, line 18, delete the first comma and insert "*and*"

Page 1, line 18, delete "*, and*" and insert a period

Page 1, delete lines 19 and 20

Page 1, line 21, delete "*controlling pollution and conserving energy.*"

Page 2, line 36, delete "*energy*"

Page 3, line 3, delete "*gaseous, liquid, or solid fuel and*"

Page 3, line 4, delete "*chemicals, or other*"

Page 9, line 9, delete "*energy*"

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. 1402, A bill for an act relating to claims against the state; providing for payment of various claims; appropriating money.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [CLAIMS; APPROPRIATIONS; GENERAL FUND.]

Subdivision 1. The sums set forth in this section are appropriated from the general fund to the persons named in this section in full and final payment of claims against the state. The appropriations in this section are available until June 30, 1985.

Subd. 2. Richard Archibald, c/o James Peterson, LAMP, Law School, University of Minnesota, 95 Law Building, Minneapolis, Minnesota 55455, for personal property lost when claimant was transferred to the hospital while an inmate of Minnesota correctional facility, Lino Lakes \$200.00.

Subd. 3. Clarke A. Bailey, No. 115235, Minnesota correctional facility, Oak Park Heights, Box 10, Stillwater, Minnesota 55082, for personal property lost when claimant was transferred from Minnesota correctional facility, Stillwater to St. Cloud \$300.00.

Subd. 4. Brenda Breault, 613 North Grotto, St. Paul, Minnesota 55104, for loss of personal property when a fire occurred at the Minnesota correctional facility, Shakopee, in a cottage in which it was stored \$463.00.

Subd. 5. Arthur L. Brundige, No. 123486, Minnesota correctional facility, Oak Park Heights, Box 10, Stillwater, Minnesota 55082, for personal property lost when claimant was transferred from Minnesota correctional facility, Stillwater, to Oak Park Heights \$50.00.

Subd. 6. James V. Burnham, No. 116764, Minnesota correctional facility, 4525 4th Avenue, Lino Lakes, Minnesota 55014, for personal property irreparably damaged during claimant's transfer from Minnesota correctional facility, Stillwater, to Oak Park Heights \$66.00.

Subd. 7. Leslie Fisher, Route 2, Box 204, Hudson, Wisconsin 54016, for litigation costs incurred as a result of reporting a violation of the Human Rights Act by a state employee \$2,458.00.

Subd. 8. Audi Fox, No. 103592, Minnesota correctional facility, Oak Park Heights, Box 10, Stillwater, Minnesota 55082, for personal property that was irreparably damaged when he was transferred to and from segregation at Minnesota correctional facility, Stillwater and then to Oak Park Heights \$250.00.

Subd. 9. Quinn Johnson, No. 42706, Kettle Moraine correctional institute, Box 31, Plymouth, Wisconsin 53073, for personal property that was lost when he was transferred from Minnesota correctional facility, Stillwater to Waupun \$300.00.

Subd. 10. Michael Katherine, No. 119802, Minnesota correctional facility, Oak Park Heights, Box 10, Stillwater, Minnesota 55082, for personal property lost when claimant was transferred from Minnesota correctional facility, Stillwater, to Oak Park Heights \$20.00.

Subd. 11. Little sisters of the Poor, Sr. Gonzague, 330 South Exchange Street, St. Paul, Minnesota 55102, for costs incurred

as a result of the condemnation of lighting after construction was completed based on a plan that had been approved by the Minnesota department of health before construction began
\$7,000.00.

Subd. 12. Lawrence Donald Moll, No. 120867, Minnesota correctional facility, Stillwater, Box 55, Stillwater, Minnesota 55082, for personal property lost when claimant was transferred from Minnesota correctional facility, Stillwater, to Oak Park Heights \$13.00.

Subd. 13. Lawrence Craig Ogris, No. 103219, Minnesota correctional facility, Stillwater, Box 55, Stillwater, Minnesota 55082, for personal property lost when he was transferred back to Minnesota correctional facility, Stillwater, from special duty in Hennepin county \$150.00.

Subd. 14. David Perry, No. 117567, Box B, Minnesota correctional facility, St. Cloud, St. Cloud, Minnesota 56301, for an injury received while an inmate of Minnesota correctional facility, St. Cloud, which resulted in a permanent partial disability of the loss of the distal phalanx of his left middle finger \$1,564.00.

Subd. 15. Bruce Pinion, No. 39164-A, Waupun correctional institute, Box 351, Waupun, Wisconsin 53963, for personal property that was lost when he was transferred from Minnesota correctional facility, Stillwater to Waupun \$75.00.

Subd. 16. John R. Syrovatka, Box 276, Rural Route 1, Silver Lake, Minnesota 55381, for personal property lost during claimant's transfer from Hennepin county adult detention center to Minnesota correctional facility, Stillwater \$60.00.

Sec. 2. [TRUNK HIGHWAY FUND CLAIMS.]

Subdivision 1. The sum set forth in subdivision 2 is appropriated from the trunk highway fund to the commissioner of transportation for payment to the persons named in full and final payment of claims against the state.

Subd. 2. Prescott Township, c/o Howard Eckhardt, Chairman, Route 2, Box 156, Blue Earth, Minnesota 56013. For damage to a township road caused by traffic that chose to use it as a detour when the department of transportation closed a bridge over I-90 for repair \$1,124.00.

Sec. 3. [VETERANS BONUS CLAIMS.]

Subdivision 1. [GENERALLY.] The sums set forth in this section are appropriated from the general fund to the persons named in subdivisions 2 to 4 in full and final payment of claims

against the state for adjusted compensation arising from World War II, the Korean Conflict, and Vietnam service.

Subd. 2. [WORLD WAR II.] Charles Countryman, Route 1, Swanville, Minnesota 56382 \$160.00.

Wesley P. Leigh, Route 1, Box 326, Princeton, Minnesota 55371 \$30.00.

Harry G. Piper, 877 North Howell Street, St. Paul, Minnesota 55104 \$270.00.

Subd. 3. [KOREAN CONFLICT.] Allen R. Evans, Route 1, Prescott, Wisconsin 54021 \$127.50.

Uno C. Huck, 5447 Adams Street, Moundsview, Minnesota 55112 \$67.50.

Joseph T. Murphy, 421-9th Avenue North, St. Cloud, Minnesota 56301 \$120.00.

James J. Roloff, 109 E. Pine Street, Stillwater, Minnesota 55082 \$202.50.

Henry Wakonabo, Box 211, Inger Route, Deer River, Minnesota 56636 \$120.00.

Subd. 4. [VIETNAM SERVICE.] Dennis L. Bakkala, 803 East Calvary Road, Duluth, Minnesota 55803 \$180.00.

Steven M. Barlow, 7615 Harold Avenue, Golden Valley, Minnesota 55427 \$100.00.

Teddy J. Bryce, Box 73, West Star Route, Larsmont, Minnesota 55610 \$135.00.

Jerome V. Buczynski, 77 Dubois Lane, St. Helens, Oregon 97051 \$300.00.

Charles A. Burfiend, 429 W. Idaho, St. Paul, Minnesota 55117 \$100.00.

William J. Bussert, Route 4, Box 169A, Faribault, Minnesota 55021 \$300.00.

Rodney J. Canedy, 1930 Jade Lane, Eagan, Minnesota 55122 \$165.00.

Thomas R. Carlson, 4205 East 40th Street, Minneapolis, Minnesota 55406 \$600.00.

David A. Dahle, 3300 Zinran Avenue South, St. Louis Park,
Minnesota 55426 \$510.00.

Eileen J. Davis, 2014 - 21st Avenue South, No. 2, Minneapolis,
Minnesota 55404 \$255.00.

John E. Gudmundson, 615 Quincy, Minneapolis, Minnesota
55413 \$255.00.

Douglas F. Holm, 1108 Mercury Drive, No. 1D, Schaumburg,
Illinois 60193 \$300.00.

Harold E. Johnson, Minnesota Veterans Home, East 51st and
Minnehaha Avenue, Minneapolis, Minnesota 55417 \$300.00.

Nathan J. Kingbird, 1575 St. Paul Avenue, Apt. No. 6, St.
Paul, Minnesota 55116 \$300.00.

Steven J. Landkammer, 3801 Nebraska Avenue N.W., Wash-
ington, D.C. 20390 \$300.00.

Thomas A. Lindquist, P.O. Box 26, Meadowlands, Minnesota
55765 \$300.00.

Marc G. Looney, 4815-28th Avenue South, Minneapolis, Minne-
sota 55417 \$100.00.

Harold J. Lukanen, 709 Chatham Field Road, Minnetonka,
Minnesota 55343 \$600.00.

Lawrence D. Mehsikomer, 903 St. Clair, St. Paul, Minnesota
55105 \$165.00.

Elphege G. Mrozek, 515-5th Street, S.W., Little Falls, Minne-
sota 56345 \$600.00.

James N. Olson, 158 Kingsway Drive, North Mankato, Minne-
sota 56001 \$600.00.

Jon M. Olson, 327-4th Street South, Virginia, Minnesota
55792 \$100.00.

Gerald L. Parks, 361 Jenks, St. Paul, Minnesota 55101
\$180.00.

Hildor A. Pederson, Jr., 2203 Branch Avenue, No. 2, Anoka,
Minnesota 55303 \$180.00.

- Raymond G. Pence, Walker, Minnesota 56484* \$165.00.
- Robert L. Price, 533 North St. Albans, St. Paul, Minnesota 55104* \$270.00.
- Ronald J. Rock, Route 2, Box No. 32A, Waubun, Minnesota 56589* \$100.00.
- Edward E. Rom, P.O. Box 685, Mankato, Minnesota 56002* \$300.00.
- Dennis W. Schendel, 426 Third Street, Farmington, Minnesota 55024* \$300.00.
- Dwight A. Stiles, 1171 Manning Avenue South, Afton, Minnesota 55001* \$285.00.
- Cory F. Teigen, 1504 E. Laurie Road, St. Paul, Minnesota 55109* \$600.00.
- Theodore L. Torba, P.O. Box 189, Maple Lake, Minnesota 55358* \$100.00.
- Jeffrey B. Tromburg, 115 First Street South, Virginia, Minnesota 55792* \$600.00.
- Donald J. Wagner, 308 Lowry Avenue, N.E., Minneapolis, Minnesota 55418* \$195.00.
- Jack D. Walters, 360 Fuller, St. Paul, Minnesota 55103* \$285.00.
- Arthur Wildeman, Box No. 275, Morristown, Minnesota 55052* \$120.00.
- Dale E. Wingenbach, Star Route, Box No. 159, Brainerd, Minnesota 56401* \$100.00.
- Selma E. Zempel, Beneficiary of Ronald Lee Zempel, Box No. 349, Happy Hollow Road, Grand Rapids, Minnesota 55744* \$1,000.00.

Sec. 4 [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.

Rice from the Committee on Appropriations 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, sections 256D.02, subdivisions 6 and 8, and by adding a subdivision; and 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:

Page 2, line 17, after "assistance" insert "*or who receives AFDC. If the responsible relative is receiving AFDC, 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.*"

Page 2, line 23, delete "*reduced no lower*" and insert "*in an amount such that total household income is equal to the AFDC standard for a household of like size and composition, except that the grant may not exceed that paid to a general assistance recipient living independently.*"

Page 2, delete lines 24 to 26

Page 2, delete lines 33 to 36

Page 3, line 2, after "assistance" insert "*and methods of calculating payment*"

Page 4, after line 18, insert:

"Sec. 5. Minnesota Statutes 1982, section 256D.06, subdivision 3, is amended to read:

Subd. 3. When a general assistance grant is used to pay a negotiated rate for a recipient living in a room and board arrangement or congregate living care, *or when a recipient is living in a state hospital or nursing home, the recipient shall receive an allowance for clothing and personal needs and the allowance shall not be less than that authorized for a medical assistance recipient pursuant to section 256B.35.*"

Page 4, line 32, delete "*county welfare*" and insert "*local*"

Page 7, after line 8, insert:

"Sec. 10. [APPROPRIATION REDUCTION.]

Subdivision 1. The appropriation by Laws 1983, chapter 312, article 1, section 2, subdivision 5, for general assistance is reduced by \$130,000.

Subd. 2. The appropriation by Laws 1983, chapter 312, article 1, section 3, subdivision 3, for special allowances is reduced by \$170,000."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, after the semicolon, insert "reducing certain appropriations;"

Page 1, line 5, after the semicolon, insert "256D.06, subdivision 3;"

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. 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 compensation reinsurance association; making various technical changes; providing reme-

dies; 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, subdivisions 4 and 8; 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, subdivision 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, chapters 60A and 61A; repealing Minnesota Statutes 1982, sections 65B.15, subdivision 3; and 65B.48, subdivision 8.

Reported the same back with the following amendments:

Page 4, line 1, after "may" insert "by order"

Page 4, line 3, after the period insert "*The fee shall be based on the relative premium volume of each insurer. The commissioner's order shall not be subject to chapter 14.*"

Page 5, line 32, strike "\$500" and insert "\$150"

Page 17, delete section 22

Page 41, after line 32, insert:

"Sec. 39. Minnesota Statutes 1982, section 61A.02, is amended to read:

61A.02 [FORMS OF POLICY.]

Subdivision 1. [PROHIBITED.] So-called coupon policies shall not be issued or delivered by any company to any residents of this state.

Subd. 2. [APPROVAL REQUIRED.] No policy of life insurance nor any rider of any kind or description which is made a part thereof shall be issued or delivered in this state, or be issued by a life insurance company organized under the laws of this state, until the form of the same has been (FILED WITH) ap-

proved by the commissioner (; AND AFTER HE SHALL HAVE NOTIFIED ANY COMPANY OF HIS DISAPPROVAL OF ANY FORM,).

Subd. 3. [DISAPPROVAL.] The commissioner shall, within 60 days after the filing of any form, disapprove the form:

(1) if the benefits provided are unreasonable in relation to the premium charged;

(2) if it contains a provision or provisions which are unlawful, unfair, inequitable, misleading, or encourages misrepresentation of the policy; or

(3) if the form, or its provisions, is otherwise not in the public interest. It shall be unlawful for the company to issue any policy in the form so disapproved. (THE COMMISSIONER'S ACTION SHALL BE SUBJECT TO REVIEW BY ANY COURT OF COMPETENT JURISDICTION) If the commissioner does not within 60 days after the filing of any form, disapprove or otherwise object, the form shall be deemed approved.

Subd. 4. [WITHDRAWAL OF APPROVAL.] The commissioner may at any time withdraw approval of any policy or form upon the grounds stated in subdivision 3. It is unlawful for the insurer to issue the form or use it in connection with any policy after the effective date of the withdrawal of approval.

Subd. 5. [HEARING.] Notification of disapproval or withdrawal of approval must be made to the insurer in writing, specifying the grounds for the disapproval. Upon written request made by the insurer, the commissioner shall grant a hearing within 30 days after receipt of the request. All hearings must be conducted in accordance with chapter 14. Following the hearing, the commissioner may affirm, reverse, or modify the previous determination made with respect to the subject policy or form."

Page 42, after line 29, insert:

"Sec. 43. Minnesota Statutes 1982, section 62E.14, subdivision 1, is amended to read:

Subdivision 1. [CERTIFICATE, CONTENTS.] The comprehensive health insurance plan shall be open for enrollment by eligible persons. An eligible person shall enroll by submission of a certificate of eligibility to the writing carrier. The certificate shall provide the following:

(a) Name, address, age, and length of time at residence of the applicant;

(b) Name, address, and age of spouse and children if any, if they are to be insured;

(c) Evidence of rejection, a requirement of restrictive riders, a rate up, or a pre-existing conditions limitation on a qualified plan, the effect of which is to substantially reduce coverage from that received by a person considered a standard risk, by at least (TWO) one association members within six months of the date of the certificate, or other eligibility requirements adopted by rule by the commissioner which are not inconsistent with this chapter and which evidence that a person is unable to obtain coverage substantially similar to that which may be obtained by a person who is considered a standard risk; and

(d) A designation of the coverage desired.

An eligible person may not purchase more than one policy from the state plan. Upon ceasing to be a resident of Minnesota a person is no longer eligible to purchase or renew coverage under the state plan.

Sec. 44. Minnesota Statutes 1982, section 62E.15, subdivision 3, is amended to read:

Subd. 3. The writing carrier shall pay an agent's referral fee of (\$25) \$50 to each insurance agent who refers an applicant to the state plan, if the application is accepted. Selling or marketing of qualified state plans shall not be limited to the writing carrier or its agents. The referral fees shall be paid by the writing carrier from money received as premiums for the state plan."

Page 62, after line 5, 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 under this chapter, 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 shall be held not later than seven days after the request for the hearing is received by the commissioner after which and within 20 days of the date of the hearing the commissioner shall issue a further order vacating the cease and desist order or making it permanent as the facts require. 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 shall 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.*"

Page 64, line 1, after "of" strike "13" and insert "15", and strike "and" and insert "*including,*"

Page 64, line 3, strike "members of the board" and insert "*directors*"

Page 64, line 4, strike "members of the board" and insert "*directors*"

Page 64, line 5, after "three" strike the comma

Page 64, line 6, strike the comma and insert a semicolon, and strike "members of the board" and insert "*directors*"

Page 64, line 7, after "Members" insert "*of the reinsurance association*" and strike "insurer" and the comma

Page 64, line 8, before "and" insert "*who represent insurers*"

Page 64, line 9, strike "employer" and insert "*directors who represent employers*" and strike "employee directors"

Page 64, line 11, before "for" insert "*employees*"

Page 64, line 12, strike "board member" and insert "*director*"

Page 64, line 17, strike "board" and insert "*directors currently holding office*"

Page 64, lines 17 and 18, strike ", notwithstanding any vacancies"

Page 64, after line 19, insert:

"Sec. 72. Minnesota Statutes 1982, section 79.39, is amended to read:

79.39 [APPLICABILITY OF CHAPTER 79.]

Subdivision 1. [EXAMINATION BY COMMISSIONER.] The reinsurance association is subject to all the provisions of this chapter. The commissioner or an authorized representative of the commissioner may visit the reinsurance association at any time and examine, *audit, or evaluate* the reinsurance association's operations, records and practices. *For purposes of this section, "authorized representative of the commissioner" includes employees of the department of commerce or other parties retained by the commissioner.*

Subd. 2. [COSTS AND EXPENSES.] *The commissioner may order and the reinsurance association shall pay the costs and*

expenses of any examination, audit, or evaluation conducted pursuant to subdivision 1."

Page 74, line 32, after the period insert *"The amount of \$144,100 and a complement of five positions shall be transferred from the department of commerce to the department of revenue for fiscal year 1985 to implement the transfer."*

Page 74, line 34, delete "\$95,127" and insert "\$62,400"

Page 75, line 2, delete "three" and insert "two"

Page 75, after line 5, insert:

"Sec. 86. [ATTORNEY GENERAL.]

The approved complement of the attorney general for general positions is increased by one. \$31,000 is added to the appropriation in Laws 1981, chapter 356, section 14, and is available until June 30, 1985."

Page 75, line 12, delete everything after "5" and insert "to 22, 35, 36, 60 to 63, 75 to 82, 84, and"

Page 75, line 13, delete "83" and insert "87"

Page 75, line 15, delete "82" and insert "85"

Re-number the sections accordingly

Correct internal references

Amend the title as follows:

Page 1, line 6, after the semicolon insert "providing for the approval of certain life insurance policies by the commissioner;"

Page 1, line 17, after the semicolon insert "describing certain requirements for enrollment in the comprehensive health insurance plan; increasing the agents referral fee under the comprehensive health insurance plan;"

Page 1, line 30, after the semicolon insert "clarifying the powers of the commissioner regarding audits of the compensation reinsurance association;"

Page 1, line 39, after the first semicolon insert "61A.02;"

Page 1, line 40, after "62A.025;" insert "62E.14, subdivision 1; 62E.15, subdivision 3;"

Page 2, line 1, after "79.10;" insert "79.39;"

Page 2, line 13, delete "and" and after "subdivision 8" insert "and 69.031, subdivision 6"

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. 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 following amendments:

Page 1, after line 16, insert:

"Sec. 2. Minnesota Statutes 1982, section 124.565, subdivision 4, is amended to read:

Subd. 4. [NONRESIDENT TUITION.] Unless covered by a higher education reciprocity agreement relating to nonresident tuition, entered into by the Minnesota higher education coordinating board and approved by the state board for vocational education, *or unless covered by the provisions of subdivision 3a*, tuition at a post-secondary vocational-technical school for a pupil who is not a resident of Minnesota shall be the amount per quarter set by the state board for vocational education. The state board for vocational education shall be exempt from the rule-making requirements of chapter 14 for setting tuition charges. A full refund shall be provided to a student who withdraws on or before the 15th day of the quarter. No refund shall be provided for withdrawal after the 15th day of the quarter.

Sec. 3. [RENEGOTIATIONS.]

The governor shall negotiate an interstate tuition reciprocity agreement with South Dakota that includes the area vocational-technical system. If agreement cannot be reached on reciprocity for the area vocational-technical system, the governor shall re-evaluate the entire collegiate reciprocity agreement with South Dakota."

Re-number the remaining section

Amend the title as follows:

Page 1, line 5, after the semicolon insert "authorizing the governor to renegotiate an interstate tuition reciprocity agreement;"

Page 1, line 6, after "124.565," insert "subdivision 4, 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. 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.

Reported the same back with the following amendments:

Page 1, line 12, delete "*intentionally*" and insert "*in bad faith*"

Page 1, line 13, delete "*lands or tenements*" and insert "*residential premises*"

Page 1, line 17, delete "*is effective the day following final enactment*"

Page 1, line 18, delete "*and*" and delete "*suits*" and insert "*causes of action*"

Page 1, line 18, delete "*that date*" and insert "*August 1, 1984*"

Amend the title as follows:

Page 1, line 4, before the semicolon insert "*from residential premises*"

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. 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, subdivision 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.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 13.02, is amended by adding a subdivision to read:

Subd. 8a. [NOT PUBLIC DATA.] "Not public data" means any government data which is classified by statute, federal law, or temporary classification as confidential, private, nonpublic, or protected nonpublic.

Sec. 2. Minnesota Statutes 1982, section 13.03, subdivision 3, is amended to read:

Subd. 3. [REQUEST FOR ACCESS TO DATA.] Upon request to a responsible authority or designee, a person shall be permitted to inspect and copy *public* government data at reasonable times and places, and if the person requests, he shall be informed of the data's meaning. The responsible authority or designee shall provide copies of *public* government data upon request. The responsible authority may require the requesting person to pay the actual costs of making, certifying and compiling the copies. If the responsible authority or designee is not able to provide copies at the time a request is made he shall supply copies as soon as reasonably possible.

When a request under this subdivision involves any person's receipt of copies of public government data which has commercial value and is an entire formula, pattern, compilation, program, device, method, technique, process, data base, or system developed with a significant expenditure of public funds by the agency, the responsible authority may charge a reasonable fee for the information in addition to the costs of making, certifying, and compiling the copies. Any fee charged must be clearly demonstrated by the agency to relate to the actual development costs of the information. The responsible authority, upon the request of any person, shall provide sufficient documentation which explains and justifies the fee being charged.

If the responsible authority or designee determines that the requested data is classified so as to deny the requesting person access, the responsible authority or designee shall (SO) inform the requesting person of the determination either orally at the time of the request, (AND) or in writing as soon (THEREAFTER) after that time as possible, and shall cite the (STATUTE) specific statutory section, temporary classification, or specific provision of federal law on which the determination is based. Upon the request of any person denied access to data, the responsible authority or designee shall certify in writing that the request has been denied and cite the specific statutory section, temporary classification, or specific provision of federal law upon which the denial was based.

Sec. 3. Minnesota Statutes 1982, section 13.03, subdivision 4, is amended to read:

Subd. 4. [CHANGE IN CLASSIFICATION OF DATA.] The classification of data in the possession of an agency shall change if it is required to do so to comply with either judicial or administrative rules pertaining to the conduct of legal actions or with a specific statute applicable to the data in the possession of the disseminating or receiving agency.

If data on individuals is classified as both private and confidential by this chapter, or any other statute or federal law, then the correct classification of the data shall be presumed to be private.

To the extent that government data is disseminated to state agencies, political subdivisions, or statewide systems by another state agency, political subdivision, or statewide system, the data disseminated shall have the same classification in the hands of the agency receiving it as it had in the hands of the entity providing it.

Sec. 4. Minnesota Statutes 1982, section 13.03, is amended by adding a subdivision to read:

Subd. 5. [DISCOVERABILITY OF NOT PUBLIC DATA.] Access to data classified as not public may be sought by a party in a civil or criminal proceeding, whether administrative or judicial, by seeking discovery of the data pursuant to the rules of administrative, arbitration, civil, or criminal legal actions. The classification of data as not public shall not create a presumption that the data is not discoverable.

If a state agency, political subdivision, or statewide system opposes discovery of government data on the grounds that the data are classified as not public, the party which seeks access to the data may bring before the appropriate presiding judicial officer, arbitrator, or hearing examiner an action to compel discovery.

The presiding officer shall first decide whether or not the data is discoverable pursuant to the rules of evidence and of criminal, civil, or administrative procedure appropriate to the action.

In addition, if necessary, the presiding officer shall then consider and decide whether the benefit to the party seeking the data outweighs any harm to the confidentiality interests of the agency maintaining the data, or of any person who has provided the data or who is the subject of the data, or to the privacy interest of any individual identified in the data. The presiding officer may fashion and issue any protective orders necessary to assure proper handling of the data by the parties.

Sec. 5. Minnesota Statutes 1982, section 13.03, is amended by adding a subdivision to read:

Subd. 6 [COURT ORDERS.] Data classified as not public may be provided, pursuant to a valid court order, to a party named in a civil or criminal proceeding, whether administrative or judicial. In determining whether or not to issue an order, or in any action brought to challenge an order previously issued, the hearing examiner, arbitrator, or judicial officer shall make a decision as to whether or not to order the data to be released under the rules of civil, criminal, or administrative procedure appropriate to the action. In addition, the presiding officer shall consider whether the benefit to the party seeking the data outweighs any harm to the confidentiality interests of the agency maintaining the data, or of any person who has provided the data or who is identified in the data, or to the privacy interest of any individual identified in the data.

Sec. 6. Minnesota Statutes 1982, section 13.03, is amended by adding a subdivision to read:

Subd. 7. Nothing in this chapter or any other statute shall be construed to prevent a state agency, statewide system, or political subdivision from acquiring a copyright or patent on computer software programs or components of programs created by that agency.

Sec. 7. Minnesota Statutes 1982, section 13.04, subdivision 2, is amended to read:

Subd. 2. [INFORMATION REQUIRED TO BE GIVEN INDIVIDUAL.] An individual asked to supply private or confidential data concerning himself shall be informed of: (a) the purpose and intended use of the requested data within the collecting state agency, political subdivision, or statewide system; (b) whether he may refuse or is legally required to supply the requested data; (c) any known consequence arising from his supplying or refusing to supply private or confidential data; and (d) the identity of other persons or entities authorized

by state or federal law to receive the data. This requirement shall not apply when an individual is asked to supply investigative data, pursuant to section 13.82, subdivision 5, to a law enforcement officer.

Sec. 8. Minnesota Statutes 1982, section 13.05, subdivision 3, is amended to read:

Subd. 3. [GENERAL STANDARDS FOR COLLECTION AND STORAGE.] Collection and storage of (PUBLIC, PRIVATE OR CONFIDENTIAL) all data on individuals and the use and dissemination of private and confidential data on individuals shall be limited to that necessary for the administration and management of programs specifically authorized by the legislature (,) or local governing body or mandated by the federal government.

Sec. 9. Minnesota Statutes 1982, section 13.05, subdivision 7, is amended to read:

Subd. 7. [PREPARATION OF SUMMARY DATA.] The use of summary data derived from private or confidential data on individuals under the jurisdiction of one or more responsible authorities (SHALL BE) is permitted. Unless classified pursuant to section 13.06, another statute, or federal law, summary data is public. The responsible authority shall prepare summary data from private or confidential data on individuals upon the request of any person (, PROVIDED THAT) if the request is in writing and the cost of preparing the summary data is borne by the requesting person. The responsible authority may delegate the power to prepare summary data (1) to the administrative officer responsible for any central repository of summary data; or (2) to a person outside of its agency if the person (, IN WRITING,) sets forth, in writing, his purpose and agrees not to disclose, and the agency reasonably determines that the access will not compromise private or confidential data on individuals.

Sec. 10. Minnesota Statutes 1982, section 13.05, subdivision 9, is amended to read:

Subd. 9. [INTERGOVERNMENTAL ACCESS OF DATA.] A responsible authority shall allow another responsible authority access to data classified as not public only when the access is authorized or required by statute or federal law. An agency that supplies government data under this subdivision may require the requesting agency to pay the actual cost of supplying the data.

(DATA SHALL HAVE THE SAME CLASSIFICATION IN THE HANDS OF THE AGENCY RECEIVING IT AS IT HAD IN THE AGENCY PROVIDING IT.)

Sec. 11. Minnesota Statutes 1982, section 13.05, subdivision 10, is amended to read:

Subd. 10. [INTERNATIONAL DISSEMINATION PROHIBITED.] No state agency or political subdivision shall transfer or disseminate any private or confidential data on individuals to the private international organization known as Interpol, *except through the Interpol-United States National Central Bureau, United States Department of Justice.*

Sec. 12. Minnesota Statutes 1982, section 13.05, is amended by adding a subdivision to read:

Subd. 11. [DISSEMINATION OF AGE OR BIRTHDATE DATA FOR COMMERCIAL USE IS PROHIBITED.] No responsible authority may transfer or disseminate data regarding a person's age or birthdate if this data is to be supplied to any person for commercial use as a part of a mailing list.

Sec. 13. Minnesota Statutes 1982, section 13.06, subdivision 1, is amended to read:

Subdivision 1. [APPLICATION TO COMMISSIONER.] Notwithstanding the provisions of section 13.03, the responsible authority of a state agency, political subdivision, or statewide system may apply to the commissioner for permission to classify data or types of data on individuals as private or confidential, or data not on individuals as non-public or protected non-public, for its own use and for the use of other similar agencies, political subdivisions, or statewide systems on a temporary basis until a proposed statute can be acted upon by the legislature. The application for temporary classification is public.

Upon the filing of an application for temporary classification, the data which is the subject of the application shall be deemed to be classified as set forth in the application for a period of 45 days, or until the application is disapproved, *rejected*, or granted by the commissioner, whichever is earlier.

If the commissioner determines that an application has been submitted for purposes not consistent with this section, the commissioner may immediately reject the application, give notice of that rejection to the applicant, and return the application. When the applicant receives the notice of rejection from the commissioner, the data which was the subject of the application shall have the classification it had before the application was submitted to the commissioner.

Sec. 14. Minnesota Statutes 1982, section 13.06, subdivision 6, is amended to read:

Subd. 6. [EXPIRATION OF TEMPORARY CLASSIFICATION.] (EMERGENCY CLASSIFICATIONS GRANTED

BEFORE JULY 1, 1979 ARE REDESIGNATED AS TEMPORARY CLASSIFICATIONS. ALL) A temporary (CLASSIFICATIONS) *classification* granted under this section (PRIOR TO APRIL 24, 1980 AND STILL IN EFFECT, AND ALL TEMPORARY CLASSIFICATIONS THEREAFTER APPLIED FOR AND GRANTED PURSUANT TO THIS SECTION SHALL EXPIRE ON JULY 31, 1981 OR) *expires* 24 months after (THE CLASSIFICATION) *it* is granted (, WHICHEVER OCCURS LATER).

Sec. 15. Minnesota Statutes 1982, section 13.31, subdivision 2, is amended to read:

Subd. 2. [PUBLIC DATA.] The names and addresses of applicants for and recipients of benefits (CHARACTERIZED AS THE URBAN HOMESTEADING, HOME OWNERSHIP, AND NEW HOUSING PROGRAMS OPERATED BY A HOUSING AND REDEVELOPMENT AUTHORITY IN A CITY OF THE FIRST CLASS), *aid, or assistance through programs administered by any political subdivision, state agency, or statewide system that are intended to assist with the purchase of housing or other real property* are classified as public data on individuals.

Sec. 16. Minnesota Statutes 1982, section 13.31, subdivision 3, is amended to read:

Subd. 3. [PRIVATE DATA.] Unless otherwise provided by law, all other benefit data is private data on individuals, *and shall not be disclosed except pursuant to a valid court order or to an agent of the state agency, political subdivision or statewide system, including appropriate law enforcement personnel, who are acting in an investigation, prosecution, or criminal or civil proceeding relating to the administration of a program described in subdivision 1.*

Sec. 17. Minnesota Statutes 1982, section 13.32, subdivision 3, is amended to read:

Subd. 3. Except as provided in subdivision 5, educational data is private data on individuals and shall not be disclosed except as follows:

- (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 disclose information in health and safety emergencies pursuant to the provisions of 20 U.S.C., Section 1232g(b)(1)(I) and 45 C.F.R., Section 99.36 which are in effect on July 1, 1979;

(e) Pursuant to the provisions of 20 U.S.C., Sections 1232g(b)(1), (b)(4)(A), (b)(4)(B), (b)(1)(B), (b)(3) and 45 C.F.R., Sections 99.31, 99.32, 99.33, 99.34 and 99.35 which are in effect on July 1, 1979; or

(f) To appropriate health authorities (BUT ONLY) to the extent necessary to administer immunization programs and for bona fide epidemiologic investigations which the commissioner of health determines are necessary to prevent disease or disability to individuals in the public educational agency or institution in which the investigation is being conducted. Prior to making a determination or conducting an investigation in a public elementary or secondary school, the commissioner of health shall consult with the commissioner of education about the impact of such action upon the school and its students.

Sec. 18. Minnesota Statutes 1982, section 13.37, subdivision 2, is amended to read:

Subd. 2. [CLASSIFICATION.] The following government data is classified as nonpublic data with regard to data not on individuals, pursuant to section 13.02, subdivision 9, and as private data with regard to data on individuals, pursuant to section 13.02, subdivision 12: Security information (,); trade secret information (,); sealed absentee ballots prior to opening by an election judge (,); sealed bids, including the number of bids received, prior to the opening of the bid (,); and labor relations information. Provided that specific labor relations information which relates to a specific labor organization is classified as protected nonpublic data pursuant to section 13.02, subdivision 13.

Sec. 19. Minnesota Statutes 1982, section 13.41, is amended by adding a subdivision to read:

Subd. 5. [RELEASING DATA.] Any licensing agency may make any data classified as private or confidential pursuant to this section accessible to an appropriate person or agency if the licensing agency determines that failure to make the data accessible is likely to create a clear and present danger to public health or safety.

Sec. 20. Minnesota Statutes 1982, section 13.43, subdivision 2, is amended to read:

Subd. 2. [PUBLIC DATA.] Except for employees described in subdivision 5, the following personnel data on current and former employees, volunteers, and independent contractors of a state agency, statewide system, or political subdivision and members of advisory boards or commissions is public: name; actual gross salary; salary range; contract fees; actual gross pension; the value and nature of employer paid fringe benefits; the basis for and the amount of any added remuneration, includ-

ing expense reimbursement, in addition to salary; job title; job description; education and training background; previous work experience; date of first and last employment; the status of any complaints or charges against the employee, whether or not the complaint or charge resulted in a disciplinary action; and the final disposition of any disciplinary action and supporting documentation; work location; a work telephone number; badge number; honors and awards received; (DATA WHICH ACCOUNTS FOR THE INDIVIDUAL'S WORK TIME) *payroll time sheets or other comparable data which are only used to account for employee's work time for payroll purposes, except to the extent that release of time sheet data would reveal the employee's reasons for the use of sick or other medical leave or other not public data*; and, city and county of residence.

Sec. 21. Minnesota Statutes 1982, section 13.44, is amended to read:

13.44 [PROPERTY COMPLAINT DATA.]

The (NAMES) *identities* of individuals who register complaints with state agencies or political subdivisions concerning violations of state laws or local ordinances concerning the use of real property are classified as confidential *data*, pursuant to section 13.02, subdivision 3.

Sec. 22. [13.58] [HOMESTEAD APPLICATION DATA.]

The following data collected and maintained by political subdivisions are classified as private data pursuant to section 13.02, subdivision 12: the social security account numbers and detailed financial data submitted by individuals who are applying for class 3cc homestead classifications pursuant to section 273.13.

Sec. 23. [13.59] [REDEVELOPMENT DATA.]

Subdivision 1. [PRIVATE DATA.] The following data collected in surveys of individuals conducted by cities and housing and redevelopment authorities for the purposes of planning, development, and redevelopment, are classified as private data pursuant to section 13.02, subdivision 12: the names and addresses of individuals and the legal descriptions of property owned by individuals.

Subd. 2. [NONPUBLIC DATA.] The following data collected in surveys of businesses conducted by cities and housing and redevelopment authorities, for the purposes of planning, development, and redevelopment, are classified as nonpublic data pursuant to section 13.02, subdivision 9: the names, addresses, and legal descriptions of business properties and the commercial use of the property to the extent disclosure of the use would identify a particular business.

Sec. 24 [13.60] [INSURANCE TRUST DATA.]

The following data collected or created by the League of Minnesota Cities Insurance Trust in order to process claims for workers' compensation are classified as either private data pursuant to section 13.02, subdivision 12, in regard to claims where the insured worker is living, or nonpublic data pursuant to section 13.02, subdivision 9, in regard to claims where the insured worker is deceased:

(1) name, address, telephone number, and social security account number of the claimant if the claimant is other than the public employee;

(2) claim number;

(3) date of claimed injury;

(4) employee's social security number, home telephone number, home address, date of birth, sex, and marital status;

(5) whether or not claimed injury caused loss of time from work;

(6) whether or not the employee lost time from work on the day of the claimed injury and the number of hours lost;

(7) whether or not the employee has returned to work;

(8) whether or not full or partial wages were paid for the first day of lost time and the amount paid;

(9) time of day and location where injury occurred;

(10) whether or not the injury occurred on employer's premises;

(11) the name, address, and telephone number of treating physician or practitioner;

(12) identification of the hospital where treated;

(13) nature of the claimed injury or occupational illness;

(14) part of body affected;

(15) name or type of object involved in causing the injury;

(16) nature of injury;

(17) type of accident;

(18) description of actions taken to prevent reoccurrence;

(19) names of co-worker witnesses; and

(20) all data collected or created as a result of the investigation of the claim, including physician's reports, other data on the medical condition of the claimant, data collected from the claimant's physicians, and data collected in interviews of the claimant's employer, co-workers, family members, and neighbors.

Sec. 25. [13.61] [ECONOMIC ASSISTANCE DATA.]

Subdivision 1. [NONPUBLIC DATA.] The following data collected by home rule charter and statutory cities in their administration of the city economic development assistance program are classified as nonpublic data pursuant to section 13.02, subdivision 9:

(1) application data, except company names, addresses, and other data that identifies the applicant, until the application is approved by the city;

(2) application data, except company names, addresses, and other data that identifies the applicant, that pertains to companies whose applications have been disapproved;

(3) attachments to applications, including business and personal financial records, until the application is approved; and

(4) income tax returns, either personal or corporate, that are filed by applicants.

Subd. 2. [PUBLIC DATA.] The following data collected by cities in their administration of the city economic development assistance program are classified as public data not on individuals pursuant to section 13.02, subdivision 14:

(1) company names, addresses, and other data that identifies the applicant company;

(2) application data, including all attachments to applications other than tax returns, that pertain to companies whose applications are approved; and

(3) letters of notification to companies whose applications are disapproved.

Sec. 26. [13.64] [DEPARTMENT OF ADMINISTRATION DATA.]

Notes and preliminary drafts of reports created, collected, or maintained by the management analysis division, department

of administration, prepared during audits or investigations of state departments and agencies are classified as protected non-public data pursuant to section 13.02, subdivision 13. Data on individuals that could reasonably be used to determine the identity of an individual supplying data for an audit or investigation are classified as private data pursuant to section 13.02, subdivision 12, if (1) the data supplied by the individual were needed for an audit or investigation, and (2) the data would not have been provided to the management analysis division without assurance to the individual that his identity would remain private.

Sec. 27. Minnesota Statutes 1982, section 13.65, subdivision 1, is amended to read:

Subdivision 1. [PRIVATE DATA.] The following data created, collected, and maintained by the office of the attorney general are classified as private (,) pursuant to section 13.02, subdivision 12:

(a) The record, including but not limited to, the transcript and exhibits of all disciplinary proceedings held by a state agency, board, or commission, except in those instances where there is a public hearing;

(b) Communications and non-investigative files regarding administrative or policy matters which do not evidence final public actions;

(c) Consumer complaint data, other than that data classified as confidential, including consumers' complaints against businesses and follow-up investigative materials; (AND)

(d) Investigative data, obtained in anticipation of, or in connection with litigation or an administrative proceeding where the investigation is not currently active; and

(e) *Data collected by the consumer division of the attorney general's office in its administration of the home preservation hotline including: the name, address, and telephone number of the consumer; the name and address of the mortgage company; the total amount of the mortgage; the amount of money needed to bring the delinquent mortgage current; the consumer's place of employment; the consumer's total family income; and the history of attempts made by the consumer to renegotiate a delinquent mortgage.*

Sec. 28. Minnesota Statutes 1982, section 13.67, is amended to read:

13.67 [EMPLOYEE RELATIONS DATA.]

The following data collected, created, or maintained by the department of employee relations are classified as nonpublic data pursuant to section 13.02, subdivision 9:

(a) The commissioner's plan prepared by the department, pursuant to section 3.855, which governs the compensation and terms and conditions of employment for employees not covered by collective bargaining agreements until the plan is submitted to the legislative commission on employee relations;

(b) Data pertaining to grievance or interest arbitration that has not been presented to the arbitrator or other party during the arbitration process; (AND)

(c) Notes and preliminary drafts of reports prepared during personnel investigations and personnel management reviews of state departments and agencies; and

(d) *The managerial plan prepared by the department pursuant to section 43A.18 that governs the compensation and terms and conditions of employment for employees in managerial positions, as specified in section 43A.18, subdivision 3, and for employees in the career executive service pursuant to section 43A.18, subdivision 3, clause (c), until the plan is submitted to the legislative commission on employee relations.*

Sec. 29. Minnesota Statutes 1982, section 13.72, is amended by adding a subdivision to read:

Subd. 3. [MOTOR VEHICLE CARRIER INVESTIGATIVE DATA.] Data collected by the department of transportation as part of an active investigation undertaken for the purpose of pursuing law enforcement action against a person, other than an individual, for a violation of chapter 221, or a rule or order issued pursuant to that chapter, is classified as protected nonpublic data pursuant to section 13.02, subdivision 13.

Sec. 30. [13.74] [ENVIRONMENTAL QUALITY DATA.]

The following data collected and maintained by the environmental quality board are classified as private data pursuant to section 13.02, subdivision 12: the names and addresses of individuals who submitted information and letters concerning personal health problems associated with high voltage power lines.

Sec. 31. [13.75] [DEPARTMENT OF ENERGY AND ECONOMIC DEVELOPMENT DATA.]

All financial information on individuals and business entities, including credit reports, financial statements, and net worth calculations, that are contained in applications received by the department of energy and economic development in its administration of the certified state development loan program, the Indian business development loan program, and the small cities development program are classified as private data with regard to data on individuals pursuant to section 13.02, subdivision 12, and as nonpublic data with regard to data not on individuals pursuant to section 13.02, subdivision 9.

Sec. 32. [13.76] [BUREAU OF MEDIATION SERVICES DATA.]

Subdivision 1. [REPRESENTATION DATA.] Authorization signatures or cards furnished in support of a petition filed or election conducted under sections 179.16, 179.18 to 179.25 and 179.67, and all ballots, prior to the time of tabulation, are classified as protected nonpublic data with regard to data not on individuals pursuant to section 13.02, subdivision 13, and as confidential data on individuals with regard to data on individuals pursuant to section 13.02, subdivision 3.

Subd. 2. [MEDIATION DATA.] All data received or maintained by the director of the bureau of mediation services or his staff during the course of providing mediation services to the parties to a labor dispute under the provisions of chapter 179 are classified as protected nonpublic data with regard to data not on individuals, pursuant to section 13.02, subdivision 13, and as confidential data on individuals pursuant to section 13.02, subdivision 3, except to the extent the director of the bureau of mediation services determines such data are necessary to fulfill the requirements of section 179.71, subdivisions 5 and 6, or to identify the general nature of or parties to a labor dispute.

Sec. 33. [EFFECTIVE DATE.]

Sections 1 to 32 are effective the day following final enactment."

Amend the title as follows :

Page 1, line 9, delete "subdivision 8, and"

Page 1, line 13, delete "subdivision 2" and insert "subdivisions 2 and 3; 13.32, subdivision 3; 13.37, subdivision 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. 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.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 524.3-913, is amended to read:

524.3-913 [DISTRIBUTIONS TO TRUSTEE.]

(BEFORE DISTRIBUTING TO A TESTAMENTARY TRUSTEE, THE PERSONAL REPRESENTATIVE SHALL REQUIRE THAT THE TRUSTEE BE QUALIFIED IN A COURT OF COMPETENT JURISDICTION UNLESS WAIVED BY THE COURT OR THE WILL CONTAINS A WAIVER OF QUALIFICATION. NOTWITHSTANDING THE WAIVER, UPON PETITION OF ANY INTERESTED PERSON, THE COURT MAY REQUIRE QUALIFICATION OF THE TRUSTEE IN A COURT OF COMPETENT JURISDICTION.) *Qualification by a court of a testamentary trustee is not required before distributions can be made by a personal representative to the trustee, unless qualification is demanded by an interested person as follows:*

(1) *by written demand delivered or mailed to the personal representative, or*

(2) *by petition to the court having jurisdiction over the probate estate.*

If demand is made, the personal representative shall require proof of qualification of the trustee in a court of competent jurisdiction and the personal representative shall not make distributions to the trustee until the trustee is qualified by the court."

Delete the title and insert:

"A bill for an act relating to trusts; eliminating the requirement of qualifying trustees in certain cases; amending Minnesota Statutes 1982, section 524.3-913."

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. 2021, 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.

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. 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.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [514.135] [COMPUTATION OF INTEREST ON CLAIMS.]

Except as otherwise provided by contract, interest awarded on mechanics' lien claims shall be calculated at the legal rate, as provided in section 334.01, from the time the underlying obligation arises until the expiration of 30 days after the claimant's last item of labor, skill, or materials was furnished to the improvement and shall be calculated thereafter at the rate computed for verdicts and judgments, as provided in section 549.09.

Sec. 2 [EFFECTIVE DATE.]

Section 1 applies to contracts entered into on or after August 1, 1984."

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. 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.

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

The report was adopted.

Rice from the Committee on Appropriations 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 144.07; 144.222; and 390.11.

Reported the same back with the following amendments:

Page 2, line 21, after "*examiner*" insert "*or personal physician*"

Amend the title as follows:

Page 1, line 4, delete "requiring" and insert "reporting"

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. 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 recommendation that the bill pass.

The report was adopted.

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

S. F. No. 531, A resolution memorializing the President and Congress of the United States to provide medical care for former

members of the military forces who were exposed to atomic radiation in the course of their duties.

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. 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.

Reported the same back with the following amendments:

Page 1, after line 7, insert:

"Section 1. Minnesota Statutes 1982, section 524.3-306 is amended to read:

524.3-306 [INFORMAL PROBATE; NOTICE REQUIREMENTS.]

The moving party must give notice as described by section 524.1-401 of his application for informal probate (1) to any person demanding it pursuant to section 524.3-204; and (2) to any personal representative of the decedent whose appointment has not been terminated. Upon issuance of the written statement by the registrar pursuant to section 524.3-302, notice of the informal probate proceedings, in the form prescribed by court rule, shall be given under the direction of the clerk of court by publication once a week for two consecutive weeks in a legal newspaper in the county where the application is filed and by mailing a copy of the notice by ordinary first class mail to all interested persons, other than creditors. Further if the decedent was born in a foreign country or left heirs or devisees in any foreign country, notice shall be given to the consul or other representative of such country, if he resides in this state and has filed a copy of his appointment with the secretary of state (, OR TO THE NOMINEE OR NOMINEES OF SUCH CONSUL OR REPRESENTATIVE). (IF NO SUCH CONSUL OR REPRESENTATIVE EXISTS, THEN NOTICE SHALL BE GIVEN TO THE CHIEF DIPLOMATIC REPRESENTATIVE OF SUCH COUNTRY AT WASHINGTON, D.C. OR TO) The secretary of state (AT ST. PAUL, MINNESOTA, WHO) shall forward (THE SAME TO SUCH REPRESENTATIVE) *any notice received to the appropriate consul residing in Minnesota and on file with that office.*

Sec. 2. Minnesota Statutes 1982, section 524.3-310 is amended to read:

524.3-310 [INFORMAL APPOINTMENT PROCEEDINGS; NOTICE REQUIREMENTS.]

The moving party must give notice as described by section 524.1-401 of his intention to seek an appointment informally; (1) to any person demanding it pursuant to section 524.3-204; and (2) to any person having a prior or equal right to appointment not waived in writing and filed with the court. Notice of the appointment of the personal representative shall be given under the direction of the clerk of court by publication once a week for two consecutive weeks in a legal newspaper in the county where the application is filed and by mailing a copy of the notice by ordinary first class mail to all interested persons, other than creditors. The notice, in the form prescribed by court rule, shall state that any heir, devisee or other interested person may be entitled to appointment as personal representative or may object to the appointment of the personal representative and that the personal representative is empowered to fully administer the estate including, after 30 days from the date of issuance of his letters, the power to sell, encumber, lease or distribute real estate, unless objections thereto are filed with the court (pursuant to section 524.3-607) and the court otherwise orders. Further, if the decedent was born in a foreign country or left heirs or devisees in any foreign country, notice shall be given to the consul or other representative of such country, if he resides in this state and has filed a copy of his appointment with the secretary of state (, OR TO THE NOMINEE OR NOMINEES OF SUCH CONSUL OR REPRESENTATIVE). (IF NO SUCH CONSUL OR REPRESENTATIVE EXISTS, THEN NOTICE SHALL BE GIVEN TO THE CHIEF DIPLOMATIC REPRESENTATIVE OF SUCH COUNTRY AT WASHINGTON, D.C. OR TO) The secretary of state (AT ST. PAUL, MINNESOTA, WHO) shall forward (THE SAME TO SUCH REPRESENTATIVE) *any notice received to the appropriate consul residing in Minnesota and on file with that office.* No defect in any notice nor in publication or service thereof shall limit or affect the validity of the appointment of the personal representative, his powers or other duties."

Renumber the remaining section

Amend the title as follows:

Page 1, line 5, delete "section" and insert "sections 524.3-306; 524.3-310; and"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

S. F. No. 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.

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

The report was adopted.

SECOND READING OF HOUSE BILLS

H. F. Nos. 49, 100, 361, 1069, 1264, 1303, 1376, 1402, 1588, 1678, 1689, 1837, 1900, 1964, 2021, 2039, 2134, 2183 and 2189 were read for the second time.

SECOND READING OF SENATE BILLS

S. F. Nos. 2076, 1931, 1790, 1859, 1867, 1789, 1589, 1853, 1815, 1794, 1466, 1112, 1546, 1954, 1504, 1973, 1702, 1477, 531, 1562 and 2083 were read for the second time.

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

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

H. F. No. 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 carry-backs; 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 coun-

ties; 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.

PATRICK E. FLAHAVEN, Secretary of the Senate

Tomlinson moved that the House refuse to concur in the Senate amendments to H. F. No. 2016, that the Speaker appoint a Conference Committee of 5 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

Mr. Speaker:

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

H. F. No. 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 subdivisions; 465.721; 471.61, subdivisions 1 and 2a; Minnesota Statutes 1983 Supplement, sections 120.17, subdivi-

sion 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.

PATRICK E. FLAHAVEN, Secretary of the Senate

Nelson, K., moved that the House refuse to concur in the Senate amendments to H. F. No. 1393, that the Speaker appoint a Conference Committee of 5 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

Mr. Speaker:

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

H. F. No. 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.

PATRICK E. FLAHAVEN, Secretary of the Senate

Osthoff moved that the House refuse to concur in the Senate amendments to H. F. No. 1814, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

Mr. Speaker:

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

S. F. Nos. 1258, 1849, 1891 and 1986.

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. 1330.

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. 1452.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

S. F. No. 1762.

PATRICK E. FLAHAVEN, Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 1258, 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; regulating nuclear fission electric generating plants in Minnesota; amending Minnesota Statutes 1982, section 116C.71, by adding subdivisions; and 116C.74; proposing new law coded in Minnesota Statutes, chapters 116C and 216B.

The bill was read for the first time.

Clark, K., moved that S. F. No. 1258 and H. F. No. 1292, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1849, 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.

Clawson moved that S. F. No. 1849 and H. F. No. 2245, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1891, A bill for an act relating to public employees; providing standards for certain disciplinary actions; amending Minnesota Statutes 1982, section 43A.33, by adding a subdivision.

The bill was read for the first time.

Greenfield moved that S. F. No. 1891 and H. F. No. 1987, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1986, 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.

Simoneau moved that S. F. No. 1986 and H. F. No. 2160, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1330, 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 from residential premises; proposing new law coded in Minnesota Statutes, chapter 504.

The bill was read for the first time.

Olsen moved that S. F. No. 1330 and H. F. No. 1837, now on Technical General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1452, A bill for an act relating to trusts; eliminating the requirement of qualifying trustees in certain cases; amending Minnesota Statutes 1982, section 524.3-913.

The bill was read for the first time.

Ellingson moved that S. F. No. 1452 and H. F. No. 1964, now on Technical General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1762, 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, subdivision 3; 363.071, by adding a subdivision; 363.116; 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.

The bill was read for the first time.

Clark, K., moved that S. F. No. 1762 and H. F. No. 1602, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1393:

Nelson, K.; McEachern; Anderson, B.; Levi and Schafer.

REPORT FROM THE COMMITTEE ON RULES AND LEGISLATIVE ADMINISTRATION

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

House Resolution No. 28, A house resolution congratulating George Nelson for his participation in the latest Challenger space shuttle mission.

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

The report was adopted.

HOUSE RESOLUTION NO. 28

A house resolution congratulating George Nelson for his participation in the latest Challenger space shuttle mission.

Whereas, George Nelson, a native of Willmar, Minnesota, is participating in the latest Challenger space shuttle mission as a mission specialist; and

Whereas, his duty will be the first attempt at retrieval and repair of an orbiting satellite; and

Whereas, all Minnesotans are enthusiastic about the Challenger space program not only for its daring but because of its scientific and economic benefits; and

Whereas, all Minnesotans are proud of George Nelson as its first native son to venture into the frontier of space; *Now Therefore*

Be it resolved by the House of Representatives of the State of Minnesota that it congratulates George Nelson for his participation in the Challenger space shuttle mission. It wishes him well now and in the future.

Be it further resolved that the Chief Clerk of the House of Representatives is directed to prepare an enrolled copy of this resolution, to be authenticated by his signature and that of the Speaker, and that it be presented to George Nelson.

Welle moved that House Resolution No. 28 be now adopted. The motion prevailed and House Resolution No. 28 was adopted.

CONSENT CALENDAR

H. F. No. 2301 was reported to the House.

Osthoff moved that H. F. No. 2301 be returned to the top of General Orders. The motion prevailed.

H. F. No. 2148 was reported to the House.

Blatz moved to amend H. F. No. 2148, the first engrossment, as follows:

Page 1, after line 21, insert:

"Sec. 2. [62A.046] [COORDINATION OF BENEFITS.]

(1) *No group contract providing coverage for hospital and medical treatment or expenses issued or renewed after August 1, 1984, which is responsible for secondary coverage for services provided, may deny coverage or payment of the amount it owes as a secondary payor solely on the basis of the failure of another group contract, which is responsible for primary coverage, to pay for those services.*

(2) *A group contract which provides coverage of a claimant as a dependent of a parent who has legal responsibility for the dependent's medical care but who does not have custody of the dependent must, upon request of the custodial parent, make payments directly to the provider of care. In such cases, liability to the insured is satisfied to the extent of benefit payments made to the provider.*

(3) *This section applies to an insurer, a vendor of risk management services regulated under section 60A.23, a nonprofit health service plan corporation regulated under chapter 62C and a health maintenance organization regulated under chapter 62D. Nothing in this section shall require a secondary payor to pay the obligations of the primary payor nor shall it prevent the recovery of liable payments from the primary payor by the secondary payor if the secondary payor elects to pay the obligations of the primary payor."*

Further amend the title as follows:

Page 1, line 3, after the semicolon, insert "coordinating payments by primary and secondary health insurers;"

Page 1, line 4, delete "chapter 61A" and insert "chapters 61A and 62A"

The motion prevailed and the amendment was adopted.

H. F. No. 2148, A bill for an act relating to insurance; authorizing the use of smoker and nonsmoker mortality tables; coordinating payments by primary and secondary health insurers; proposing new law coded in Minnesota Statutes, chapters 61A and 62A.

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

The question was taken on the passage of the bill and the roll was called. There were 118 yeas and 0 nays as follows.

Those who voted in the affirmative were:

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

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

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 third 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.	Clawson	Gruenes	Krueger	O'Connor
Anderson, G.	Cohen	Gustafson	Kvam	Ogren
Anderson, R.	Coleman	Gutknecht	Larsen	Olsen
Battaglia	Dempsey	Halberg	Levi	Omman
Beard	DenOuden	Haukoos	Long	Onnen
Begich	Dimler	Heinitz	Ludeman	Osthoff
Bennett	Eken	Hoffman	Mann	Otis
Bergstrom	Elioff	Hokr	Marsh	Pauly
Bishop	Ellingson	Jacobs	McDonald	Peterson
Blatz	Erickson	Jennings	McEachern	Piepho
Boo	Evans	Jensen	Metzen	Piper
Brandl	Findlay	Johnson	Minne	Price
Brinkman	Fjoslien	Kahn	Murphy	Quinn
Carlson, D.	Forsythe	Kalis	Nelson, D.	Quist
Carlson, L.	Frerichs	Kelly	Nelson, K.	Redalen
Clark, J.	Graba	Knickerbocker	Neuenschwander	Reif
Clark, K.	Greenfield	Kostohryz	Norton	Rice

Rodriguez, C.	Schreiber	Solberg	Uphus	Welker
Rodriguez, F.	Seaberg	Sparby	Valan	Welle
Rose	Segal	Staten	Valento	Wenzel
St. Onge	Shaver	Sviggum	Vanasek	Wigley
Sarna	Shea	Swanson	Vellenga	Wynia
Schafer	Sherman	Thiede	Voss	Zaffke
Scheid	Simoneau	Tomlinson	Waltman	Speaker Sieben
Schoenfeld	Skoglund	Tunheim	Welch	

The bill was passed and its title agreed to.

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

The bill was passed and its title agreed to.

There being no objection the bills on the Technical Consent Calendar were now considered.

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.

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

The bill was passed and its title agreed to.

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 hazardous materials; amending Minnesota Statutes 1983 Supplement, section 604.05, 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, B.	Bishop	Clark, K.	Ellingson	Greenfield
Anderson, G.	Blatz	Clawson	Erickson	Gruenes
Anderson, R.	Boo	Cohen	Evans	Gustafson
Battaglia	Brandl	Coleman	Findlay	Gutknecht
Beard	Brinkman	Dempsey	Fjoslien	Halberg
Begich	Carlson, D.	DenOuden	Forsythe	Haukoos
Bennett	Carlson, L.	Eken	Frerichs	Heinitz
Bergstrom	Clark, J.	Elioff	Graba	Hoffman

Hokr	Marsh	Otis	Scheid	Tomlinson
Jacobs	McDonald	Pauly	Schoenfeld	Tunheim
Jennings	McKasy	Peterson	Schreiber	Uphus
Jensen	Metzen	Piepho	Seaberg	Valan
Johnson	Minne	Piper	Segal	Valento
Kahn	Munger	Price	Shaver	Vanasek
Kalis	Murphy	Quinn	Shea	Vellenga
Kelly	Nelson, D.	Quist	Sherman	Voss
Knickerbocker	Nelson, K.	Redalen	Simoneau	Waltman
Kostohryz	Neuenschwander	Reif	Skoglund	Welch
Krueger	Norton	Rice	Solberg	Welker
Kvam	O'Connor	Rodriguez, C.	Sparby	Welle
Larsen	Ogren	Rodriguez, F.	Stadum	Wenzel
Levi	Olsen	Rose	Staten	Wigley
Long	Omman	St. Onge	Sviggum	Wynia
Ludeman	Onnen	Sarna	Swanson	Zaffke
Mann	Osthoff	Schafer	Thiede	Speaker Sieben

The bill was passed and its title agreed to.

H. F. No. 1806 was reported to the House.

Elioff moved to amend H. F. No. 1806, the second engrossment, as follows:

Page 6, line 25, delete "interview"

The motion prevailed and the amendment was adopted.

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; requiring law enforcement agencies to follow certain procedures when interviewing minors on school property; 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.

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

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

Those who voted in the affirmative were:

Anderson, B.	Brinkman	Eken	Gruenes	Johnson
Anderson, G.	Carlson, D.	Elioff	Gustafson	Kahn
Anderson, R.	Carlson, L.	Ellingson	Gutknecht	Kalis
Battaglia	Clark, J.	Erickson	Halberg	Kelly
Beard	Clark, K.	Evans	Haukoos	Knickerbocker
Begich	Clawson	Findlay	Heinitz	Kostohryz
Bennett	Cohen	Fjoslien	Hoffman	Krueger
Bergstrom	Coleman	Forsythe	Hokr	Kvam
Bishop	Dempsey	Frerichs	Jacobs	Larsen
Blatz	DenOuden	Graba	Jennings	Levi
Boo	Dimler	Greenfield	Jensen	Long

Ludeman	O'Connor	Rice	Shea	Valento
Mann	Ogren	Riveness	Sherman	Vanasek
Marsh	Olsen	Rodriguez, C.	Simoneau	Vellenga
McDonald	Omman	Rodriguez, F.	Skoglund	Voss
McEachern	Onnen	Rose	Sparby	Waltman
McKasy	Osthoff	St. Onge	Stadum	Welch
Metzen	Otis	Sarna	Staten	Welker
Minne	Pauly	Schafer	Sviggum	Welle
Munger	Peterson	Scheid	Swanson	Wenzel
Murphy	Piepho	Schoenfeld	Thiede	Wigley
Nelson, D.	Piper	Schreiber	Tomlinson	Wynia
Nelson, K.	Price	Seaberg	Tunheim	Zaffke
Neuenschwander	Quist	Segal	Uphus	Speaker Sieben
Norton	Redalen	Shaver	Valan	

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

H. F. No. 1950, 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.

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

The bill was passed and its title agreed to.

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

The bill was passed and its title agreed to.

Eken moved that the House recess subject to the call of the Chair. The motion prevailed.

RECESS

RECONVENED

The House reconvened and was called to order by the Speaker.

There being no objection the order of business reverted to Introduction and First Reading of House Bills.

INTRODUCTION AND FIRST READING
OF HOUSE BILLS

The following House Files were introduced:

Johnson introduced:

H. F. No. 2329, A bill for an act relating to probate; allowing a minor to be a donor for purposes of the Uniform Anatomical Gift Act; amending Minnesota Statutes 1982, sections 525.922, subdivision 1; and 525.924, by adding a subdivision.

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

Brandl, Simoneau, Battaglia and Schreiber introduced:

H. F. No. 2330, A bill for an act proposing an amendment to the Minnesota Constitution, article IV, section 4; changing the terms of representatives to four years.

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

HOUSE ADVISORIES

The following House Advisory was introduced:

Olsen; Clark, J.; Forsythe; Vanasek and Hokr introduced:

H. A. No. 61, A proposal for the House Judiciary Committee to study the role of alcohol in violence.

The advisory was referred to the Committee on Judiciary.

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

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

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.

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. 1740.

PATRICK E. FLAHAVER, Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 1740, A bill for an act relating to public safety; providing immunity from liability for persons who render assistance in dangerous incidents involving hazardous materials; amending Minnesota Statutes 1983 Supplement, section 604.05, subdivision 2.

The bill was read for the first time.

SUSPENSION OF RULES

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, Battaglia moved that the rule therein be suspended and an urgency be declared so that S. F. No. 1740 be given its second and third readings and be placed upon its final passage. The motion prevailed.

Battaglia moved that the rules of the House be so far suspended that S. F. No. 1740 be given its second and third readings and be placed upon its final passage. The motion prevailed.

S. F. No. 1740 was read for the second time.

S. F. No. 1740, A bill for an act relating to public safety; providing immunity from liability for persons who render assistance in dangerous incidents involving hazardous materials; amending Minnesota Statutes 1983 Supplement, section 604.05, 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 115 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Begich	Boo	Carlson, L.	Coleman
Anderson, G.	Bennett	Brandl	Clark, J.	Dempsey
Anderson, R.	Bergstrom	Brinkman	Clark, K.	DenOuden
Battaglia	Bishop	Burger	Clawson	Dimler
Beard	Blatz	Carlson, D.	Cohen	Eken

Elioff	Johnson	Metzen	Riveness	Swanson
Ellingson	Kahn	Munger	Rodriguez, C.	Thiede
Erickson	Kalis	Murphy	Rodriguez, F.	Tomlinson
Evans	Kelly	Nelson, D.	Rose	Tunheim
Findlay	Knickerbocker	Nelson, K.	St. Onge	Uphus
Fjoslien	Knuth	Neuenschwander	Sarna	Valan
Forsythe	Kostohryz	O'Connor	Schafer	Valento
Frerichs	Krueger	Ogren	Schoenfeld	Vanasek
Graba	Kvam	Olsen	Seaberg	Vellenga
Greenfield	Larsen	Onnen	Segal	Voss
Gruenes	Levi	Otis	Shaver	Waltman
Gustafson	Long	Pauly	Sherman	Welch
Gutknecht	Ludeman	Piepho	Simoneau	Welker
Haukoos	Mann	Piper	Skoglund	Welle
Heinitz	Marsh	Price	Solberg	Wenzel
Hoffman	McDonald	Quist	Sparby	Wigley
Jacobs	McEachern	Redalen	Staten	Zaffke
Jensen	McKasy	Rice	Sviggum	Speaker Sieben

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. Nos. 1680 and 2009; S. F. No. 1196; and H. F. Nos. 600, 1454, 1721, 1846, 2122 and 1373.

H. F. No. 1680 was reported to the House.

Redalen and Metzen moved to amend H. F. No. 1680, the first engrossment, as follows:

Page 1, line 12, strike "horse"

Page 2, delete lines 11 to 16 and insert:

"Sec. 2. Minnesota Statutes 1983 Supplement, section 290.92, subdivision 28, is amended to read:

Subd. 28. Any holder of a class A or B license issued by the Minnesota (HORSE) racing commission who makes a payment to a holder of a class C license issued by the commission, (OR WHO PAYS) *except* an amount *paid* as a purse, shall deduct from the payment and withhold seven percent of the amount as Minnesota withholding tax when the amount paid to that individual during the calendar year exceeds (\$200) \$600. For purposes of the provisions of this section, a payment to any person which is subject to withholding under this subdivision 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 which is subject to withholding under this subdivision 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. No withhold-

ing is required if the individual presents a signed certificate from his employer which states that the individual is an employee of that employer. A nonresident individual who holds a class C license must be treated as an athlete for purposes of applying the provisions of sections 290.17, subdivision 2(1)(b)(ii) and 290.92, subdivision 4a.

Sec. 3. Minnesota Statutes 1982, section 290.61, is amended to read:

290.61 [PUBLICITY OF RETURNS, INFORMATION.]

It shall be unlawful for the commissioner or any other public official or employee to divulge or otherwise make known in any manner any particulars set forth or disclosed in any report or return required by this chapter, or any information concerning the taxpayer's affairs acquired from his or its records, officers, or employees while examining or auditing any taxpayer's liability for taxes imposed hereunder, except in connection with a proceeding involving taxes due under this chapter from the taxpayer making such return or to comply with the provisions of sections 290.612 and 302A.821. The commissioner may furnish a copy of any taxpayer's return to any official of the United States or of any state having duties to perform in respect to the assessment or collection of any tax imposed upon or measured by income, if such taxpayer is required by the laws of the United States or of such state to make a return therein. The commissioner may disclose information from withholding tax returns received from the taxpayer to the Minnesota department of economic security for purposes of auditing unemployment tax. Prior to the release of any information to any official of the United States or any other state or the department of economic security under the provisions of this section, the person to whom the information is to be released shall sign an agreement which provides that he will protect the confidentiality of the returns and information revealed thereby to the extent that it is protected under the laws of the state of Minnesota. The commissioner and all other public officials and employees shall keep and maintain the same secrecy in respect to any information furnished by any department, commission, or official of the United States or of any other state in respect to the income of any person as is required by this section in respect to information concerning the affairs of taxpayers under this chapter. Nothing herein contained shall be construed to prohibit the commissioner from publishing statistics so classified as not to disclose the identity of particular returns or reports and the items thereof. Upon request of a majority of the members of the senate tax committee or of the house tax committee or the tax study commission, the commissioner shall furnish abstracted financial information to those committees for research purposes from returns or reports filed pursuant to this chapter, provided that he shall not disclose the name, address, social security number, business identification number or any other item of information associated with any return or report which the commissioner believes is likely to identify the tax-

payer. The commissioner shall not furnish the actual return, or a portion thereof, or a reproduction or copy of any return or portion thereof. "Abstracted financial information" means only the dollar amounts set forth on each line on the form including the filing status.

Any person violating the provisions of this section shall be guilty of a gross misdemeanor.

In order to locate the named payee on state warrants issued pursuant to this chapter or chapter 290A and undeliverable by the United States postal service, the commissioner may publish in any English language newspaper of general circulation in this state a list of the name and last known address of the payee as shown on the reports or returns filed with the commissioner. The commissioner may exclude the names of payees whose refunds are in an amount which is less than a minimal amount to be determined by the commissioner. The published list shall not contain any particulars set forth on any report or return. The publication shall include instructions on claiming the warrants.

An employee of the department of revenue may, in connection with his official duties relating to any audit, collection activity, or civil or criminal tax investigation or any other offense under this chapter, disclose return information to the extent that such disclosure is necessary in obtaining information, which is not otherwise reasonably available, with respect to the correct determination of tax, liability for tax, or the amount to be collected or with respect to the enforcement of any other provision of this chapter.

In order to facilitate processing of returns and payments of taxes required by this chapter, the commissioner may contract with outside vendors and may disclose private and nonpublic data to the vendor. The data disclosed will be administered by the vendor consistent with this section.

Information from a tax return required under this chapter on a license holder or an owner of a horse may be provided by the commissioner to the Minnesota racing commission.

Sec. 4. [EFFECTIVE DATE.]

This act is effective the day following final enactment."

Amend the title as follows:

Page 1, line 4, delete "subdivision 27; repealing" and insert "subdivisions 27 and 28; and Minnesota Statutes 1982, section 290.61."

Delete lines 5 and 6

The motion prevailed and the amendment was adopted.

H. F. No. 1680, A bill for an act relating to taxation; income; changing withholding on pari-mutuel winnings; amending Minnesota Statutes 1983 Supplement, section 290.92, subdivisions 27 and 28; and Minnesota Statutes 1982, section 290.16.

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

The question was taken on the passage of the bill and the roll was called. There were 106 yeas and 4 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Erickson	Kostohryz	Otis	Sparby
Anderson, G.	Evans	Krueger	Pauly	Staten
Anderson, R.	Findlay	Kvam	Peterson	Sviggum
Battaglia	Fjoslien	Larsen	Piper	Swanson
Beard	Forsythe	Levi	Price	Tomlinson
Begich	Graba	Long	Quist	Tunheim
Bennett	Greenfield	Ludeman	Redalen	Uphus
Bergstrom	Gruenes	Mann	Rice	Valan
Bishop	Gustafson	Marsh	Riveness	Valento
Blatz	Gutknecht	McDonald	Rodriguez, C.	Vanasek
Boo	Haukoos	McEachern	Rodriguez, F.	Vellenga
Brandl	Heinitz	McKasy	Rose	Waltman
Brinkman	Hoffman	Metzen	St. Onge	Welch
Burger	Hokr	Munger	Sarna	Welker
Carlson, L.	Jacobs	Murphy	Schafer	Welle
Clark, K.	Jensen	Nelson, D.	Schoenfeld	Wenzel
Clawson	Johnson	Neuenschwander	Seaberg	Zaffke
Cohen	Kahn	O'Connor	Segal	Speaker Sieben
Dimler	Kalis	Ogren	Shaver	
Eken	Kelly	Olsen	Sherman	
Elioff	Knickerbocker	Omann	Simoneau	
Ellingson	Knuth	Onnen	Solberg	

Those who voted in the negative were:

Coleman DenOuden Skoglund Thiede

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

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

Those who voted in the negative were :

Welker

The bill was passed and its title agreed to.

S. F. No. 1196, A bill for an act relating to taxation; providing a temporary sales tax exemption for sales by community service organizations.

The bill was read for the third 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.	Clark, J.	Greenfield	Knuth	Murphy
Anderson, G.	Clark, K.	Gruenes	Kostohryz	Nelson, D.
Anderson, R.	Clawson	Gustafson	Krueger	Nelson, K.
Battaglia	Cohen	Gutknecht	Kvam	Neuenschwander
Beard	Coleman	Halberg	Larsen	Norton
Begich	Dempsey	Haukoos	Levi	O'Connor
Bennett	Dimler	Heinitz	Long	Ogren
Bergstrom	Eken	Hoffman	Ludeman	Olsen
Bishop	Elioff	Jacobs	Mann	Omann
Blatz	Ellingson	Jennings	Marsh	Onnen
Boo	Erickson	Jensen	McDonald	Osthoff
Brandl	Evans	Johnson	McEachern	Otis
Brinkman	Findlay	Kahn	McKasy	Pauly
Burger	Fjoslien	Kalis	Metzen	Peterson
Carlson, D.	Forsythe	Kelly	Minne	Piepho
Carlson, L.	Graba	Knickerbocker	Munger	Piper

Price	Rose	Simoneau	Tomlinson	Welle
Quinn	St. Onge	Skoglund	Tunheim	Wenzel
Quist	Sarna	Solberg	Uphus	Wigley
Redalen	Schoenfeld	Sparby	Valan	Zaffke
Reif	Seaberg	Staten	Valento	Speaker Sieben
Riveness	Segal	Sviggum	Vanasek	
Rodriguez, C.	Shea	Swanson	Waltman	
Rodriguez, F.	Sherman	Thiede	Welch	

Those who voted in the negative were:

DenOuden

The bill was passed and its title agreed to.

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, sections 270A.04, subdivision 2; and 270A.08, subdivisions 1 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 122 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

H. F. No. 1454, A bill for an act relating to taxation; providing for timely payment of certain withholding income taxes; amend-

ing Minnesota Statutes 1983 Supplement, section 290.92, 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 124 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

H. F. No. 1721, A bill for an act relating to real property; providing notice of certain tax-forfeited land sales; proposing new law coded in Minnesota Statutes, chapter 282.

The bill was read for the third 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.	Bergstrom	Carlson, L.	DenOuden	Fjoslien
Anderson, G.	Bishop	Clark, J.	Dimler	Forsythe
Anderson, R.	Blatz	Clark, K.	Eken	Frerichs
Battaglia	Boo	Clawson	Elioff	Graba
Beard	Brandl	Cohen	Ellingson	Greenfield
Begich	Burger	Coleman	Evans	Gruenes
Bennett	Carlson, D.	Dempsey	Findlay	Gustafson

Gutknecht	Larsen	Ogren	Rodriguez, C.	Sviggum
Halberg	Levi	Olsen	Rodriguez, F.	Swanson
Haukoos	Long	Omann	Rose	Thiede
Heinitz	Ludeman	Onnen	St. Onge	Tomlinson
Himle	Mann	Osthoff	Sarna	Tunheim
Hoffman	Marsh	Otis	Schafer	Uphus
Hokr	McDonald	Pauly	Scheid	Valento
Jacobs	McEachern	Peterson	Schoenfeld	Vanasek
Jennings	McKasy	Piepho	Schreiber	Vellenga
Jensen	Metzen	Piper	Seaberg	Waltman
Kahn	Minne	Price	Segal	Welch
Kelly	Munger	Quinn	Sherman	Welker
Knickerbocker	Murphy	Quist	Simoneau	Welle
Knuth	Nelson, D.	Redalen	Skoglund	Wenzel
Kostohryz	Neuenschwander	Reif	Solberg	Wigley
Krueger	Norton	Rice	Sparby	Wynia
Kvam	O'Connor	Riveness	Staten	Zaffke

The bill was passed and its title agreed to.

H. F. No. 1846, A bill for an act relating to taxation; authorizing use of proceeds of the taconite occupation tax for economic development loans to businesses; amending Minnesota Statutes 1982, section 298.17.

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 3 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Ludeman	Welker	Zaffke
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The bill was passed and its title agreed to.

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

The bill was passed and its title agreed to.

H. F. No. 1373 was reported to the House.

Ogren moved to amend H. F. No. 1373, the second engrossment, as follows:

Page 2, line 8, after the period insert "A negotiated contract or agreement between a vendor and a state agency which requires an audit by the state agency prior to acceptance and payment of the vendor's invoice shall not be considered past due until 30 days after the completion of the audit by the state agency."

The motion prevailed and the amendment was adopted.

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; proposing new law coded in Minnesota Statutes, chapter 16A.

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

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

Those who voted in the affirmative were:

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

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

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

REPORTS OF STANDING COMMITTEES

Rice from the Committee on Appropriations to which was referred:

H. F. No. 688, 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.

Reported the same back with the following amendments:

Page 3, after line 32, insert:

"Sec. 5. [161.243] [TRANSFER FEE.]

Subdivision 1. [FEE IMPOSED.] A fee of \$4 is imposed on the initial sale and each subsequent transfer of title within the state, other than transfers for resale purposes, of every motor vehicle weighing more than 1,000 pounds. The fee shall be collected by the motor vehicle registrar. Registration plates or certificates may not be issued by the motor vehicle registrar for the ownership or operation of a motor vehicle subject to the transfer fee unless the fee is paid. The fee is not imposed on the transfer of:

- (1) a motor vehicle that is five years of age or older;*
- (2) a previously registered vehicle if the transfer is to the same person;*
- (3) vehicles subject to the conditions specified in section 297A.25, subdivision 1, clause (j);*
- (4) common carrier vehicles engaged in interstate commerce, licensed and operating under interstate commerce commission requirements; and*
- (5) vehicles purchased in another state by a resident of another state if the purchaser is transferring title to this state and has become a resident of this state after the purchase and more than 60 days have elapsed after the date of purchase.*

Subd. 2. [FEE PROCEEDS; APPROPRIATION.] The fee collected shall be deposited in the general fund of the state treasury. The legislature may annually appropriate from the general fund to the commissioner of transportation the amount necessary to pay the costs incurred under section 161.242, subdivisions 3 and 4.

Subd. 3. [FEE REPEALED.] This section is repealed July 1, 1988."

Page 4, line 28, strike "not inconsistent" and insert "consistent"

Page 6, line 2, delete "\$" and insert "\$217,000 in fiscal year 1985"

Page 6, line 4, delete "to be available until June 30, 1985"

Page 6, line 7, delete "\$" and insert "\$117,000"

Page 6, line 7, delete "9" and insert "10"

Page 6, line 9, delete "\$" and insert "\$100,000"

Page 6, delete lines 10 to 12

Page 6, line 13, delete "(4)" and insert "(3)"

Page 6, line 14, delete "\$" and insert "\$35,000"

Page 6, line 14, delete "10" and insert "11"

Page 6, line 15, before "positions" insert "three"

Page 6, after line 15, insert:

"Subd. 2. [REPORT.] \$35,000 in fiscal year 1985 is appropriated from the general fund to the agency to conduct the study and make the report as required in section 11."

Page 6, line 16, delete "2" and insert "3"

Page 6, line 16, delete "\$" and insert "\$236,000 in fiscal year 1985"

Page 6, line 18, delete "to be available until June 30, 1985"

Page 6, line 21, delete "7" and insert "8"

Page 6, line 21, delete "\$" and insert "\$52,000"

Page 6, line 23, delete "\$" and insert "\$184,000"

Page 6, line 23, delete "6, 7, and 8" and insert "7, 8, and 9"

Page 6, after line 23, insert:

"The complement of the department of energy and economic development is increased by three positions. Two of the positions are in the unclassified service."

Page 6, line 25, after the period insert "Section 5 is effective for transfers of motor vehicles after July 31, 1984."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 13, delete "chapter 115A" and insert "chapters 115A and 161"

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. 820, 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.

Reported the same back with the following amendments:

Page 6, line 2, after the comma insert "*after notice and public hearing,*"

Page 7, delete lines 14 to 20 and insert:

"\$223,300 in fiscal year 1985 is appropriated from the general fund to the commissioner of natural resources for the purposes of this act. The complement of the department is increased by one position.

The department of natural resources is to report to the chairmen of the house appropriations and senate finance committees by January 15, 1985, detailing the portion of this appropriation spent on each of the following items: survey and inventory, gas tax study, safety training and education, and registration."

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. 1237, 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.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"MINNESOTA MILK IN SCHOOLS PROGRAM

Section 1. [121.60] [MILK IN SCHOOLS PROGRAM; CITATION.]

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

Sec. 2. [121.61] [LEGISLATIVE FINDINGS; POLICY STATEMENT.]

The legislature finds that milk is a wholesome, nutritious, and natural product. 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 milk consumption by students, 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 encourage private contributions in order to make milk available to students at a reduced cost.

Sec. 3. [121.62] [MILK IN SCHOOLS PROGRAM.]

Subdivision 1. [ADMINISTRATION.] The Minnesota Milk in Schools Program created by this act shall be administered by the commissioner of education or designee. The state board 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 Minnesota 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 six. Schools which are participating in the federal Special Milk Program authorized pursuant to Public Law 89-642 shall not be eligible to participate in the program established in this section.

Subd. 3. [ELIGIBLE MILK PRODUCTS.] The Minnesota Milk in Schools Program may be used to help eligible schools provide the following products to students: whole homogenized milk, "two percent" milk, skim milk, chocolate flavored milk containing not less than two percent butterfat, and any other

products that may be designated by state board rules. Eligible milk products may be delivered to eligible schools packaged in single serving containers or in larger quantities.

Subd. 4. [APPLICATION.] Beginning in the 1984-1985 school year, by August 1 of each year, any eligible school may apply to the commissioner of education on application forms provided by the department to participate in the Minnesota Milk In Schools Program and to receive aid for eligible milk products as defined in subdivision 3.

Sec. 4. [121.63] [AID PAYMENTS.]

The department of education shall pay aid to eligible schools who comply with the requirements of section 3, subdivision 4, in an amount equal to the amount raised by the school district pursuant to section 6, but not to exceed an amount of \$1.25 for each pupil unit in average daily membership in grades kindergarten to six. The school district may decide how the aid is allocated among the pupils in those grades. The department shall make an initial payment of the district's aid entitlement by August 31 of each fiscal year and the remaining amount by March 31 in the same fiscal year.

Sec. 5. [121.64] [UFARS ACCOUNT.]

The state board of education, with the advice and assistance of the uniform financial and reporting standards council, shall establish a new Minnesota Milk In Schools Program account. Funds received by the district for this program shall be deposited in this account and shall be expended only for the purposes of this program.

Sec. 6. [121.65] [ADDITIONAL FUNDING.]

Districts participating in this program may accept additional private contributions to supplement the state funding. These contributions shall be deposited in the district's fund established pursuant to section 5 and shall be treated in accordance with the provisions of section 290.089, subdivision 2, for income tax purposes.

Sec. 7. [121.66] [PROMOTION; DISSEMINATION OF INFORMATION.]

The department of education, in cooperation with the school districts, shall promote and disseminate information about the Minnesota Milk In Schools Program to school district residents.

Sec. 8. [APPROPRIATION.]

There is appropriated from the general fund to the department of education \$500,000 for the purpose of implementing sections 3 to 8.

Sec. 9. [EFFECTIVE DATE.]

Sections 1 to 7 are effective the day following final enactment."

Amend the title as follows:

Page 1, delete lines 5 to 7

Page 1, line 9, delete "17" and insert "121"

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. 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 as the advisory committee on bikeways and bikeway safety; appropriating money; 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 1, line 22, after "3" insert "until January 1, 1985, and shall be \$5 thereafter"

Page 2, line 12, delete "1983" and insert "1984"

Page 4, line 15, after "COORDINATION" insert "AND ADVISORY COMMITTEE"

Page 4, line 17, after "\$" insert "75,000"

Page 4, line 19, before the period insert "*and for the expenses of the advisory committee on bicycling formed by the commissioner under section 3*"

Page 4, line 23, after "\$" insert "99,500"

Amend the title as follows:

Page 1, line 7, after "trails;" insert "increasing the bicycle registration fee;"

Page 1, line 12, delete "bikeways and bikeway safety" and insert "bicycling"

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. 1427, 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.

Reported the same back with the following amendments:

Pages 8 and 9, delete section 7

Page 9, after line 6, insert:

"Sec. 7. Minnesota Statutes 1982, section 352.95, subdivision 1a, is amended to read:

Subd. 1a. [OPTIONAL ANNUITY ELECTION.] A disabled correctional employee may elect 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 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 benefit begins to accrue as provided in subdivision 3 (, WHICHEVER OCCURS LATER). Upon becoming effective, the optional annuity shall begin to accrue on the same date as provided for the disability benefit."

Page 14, after line 21, insert:

"Sec. 14. Minnesota Statutes 1982, section 490.129, is amended to read:

490.129 [BENEFITS OFFSET.]

Upon any event of maturity of benefits for any judge referred to in section 355.392, subdivision 1, clause (b), (OR FOR THE JUDGE'S SURVIVING SPOUSE OR DEPENDENT CHILDREN,) the amount payable from the judges' retirement fund shall be reduced by 75 percent of the amount of the judge's primary benefit payable upon the event of maturity of benefits under the social security act.

Upon any event of maturity of benefits for the judge's surviving spouse or dependent children under section 490.124, subdivision 9, the amount payable from the judges' retirement fund shall be based (a) on the judge's normal retirement annuity or (b) upon the event of maturity of benefits under the social security act, on the judge's normal retirement annuity after reduction by 75 percent of the amount of the judge's primary benefit under the social security act; provided that the surviving spouse or dependent children shall receive an annuity of not less than 25 percent of the judge's final average compensation."

Pages 19 and 20, delete section 22

Pages 22 and 23, delete section 28

Page 24, line 32, delete "32" and insert "31"

Page 24, line 33, delete "14 to 18, 20, 21," and insert "15 to" and delete "30" and insert "29"

Page 24, line 36, delete "19" and insert "20"

Page 25, line 2, delete "Sections 22," and insert "Section" and delete ", and 29 are" and insert "is"

Page 25, line 5, after the period insert "*The repeal of Laws 1982, chapter 578, article II, section 1, subdivision 1, and section 3, is effective July 1, 1984. The change in calculations of survivors' benefits under the judges retirement and survivors' annuities law is retroactive to January 1, 1983.*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, delete "granting"

Page 1, delete lines 7, 8, and 9

Page 1, line 10, delete "employee contributions;"

Page 1, line 11, after the final semicolon, insert "352.95, subdivision 1a;"

Page 1, line 12, delete everything before "353.34,"

Page 1, line 14, after the first semicolon, delete "and" and after the final semicolon insert "and 490.129;"

Page 1, lines 21 and 22, delete "Laws 1983, chapter 301, section 225;"

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. 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 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 re-

lating 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.

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 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. 2. 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. 3. 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 3.*

Sec. 4. 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. 5. 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. 6. 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. 7. [ABATEMENT COST RECOVERY FOR MUNICIPALITIES.]

Any metropolitan municipality that offers a resource recovery program shall be paid annually by the commissioner an amount equal to 75 cents per household. Notwithstanding any other provisions of this act, the amount necessary to make payments to the municipality is appropriated from the landfill abatement fund to the commissioner. The municipality shall use the payment from the commissioner to fund landfill abatement activities, including any programs designed to reduce the amount of mixed municipal solid waste disposed of at landfills.

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 review;*
- (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 AWARDING 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 collection 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 45. 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 MANAGE-

MENT 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 re-

sources (, 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 costs 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, *the board shall make the decisions as required by this subdivision. If the board decides that a disposal facility should not be developed in the state, it shall dismiss the candidate sites from further consideration. If the board determines and certifies that a disposal facility is needed and should be developed in the state, 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 REQUIRE-

MENTS 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; or (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 shall 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 ter-

ritory 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 reviewing 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 two years of approval, the designation must be resubmitted to the reviewing authority for approval or disapproval under subdivision 2, unless bonds have been issued to finance the resource recovery facility to which the designation applies.

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. 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. 43. 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 apply to all solid waste disposal facilities in operation at the time the rules are effective. Compliance with the rules is a condition of obtaining or retaining a permit to operate the facility. The rules must 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 is 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 is 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 is a condition of obtaining or retaining a permit to operate the facility.

Subd. 4g. [CIVIL PENALTIES.] *The civil penalties of section 115.071 apply to any person in violation of the rules adopted under subdivision 4e or 4f.*

Sec. 44. 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. 45. 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. 46. 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. 47. 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. 48 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. 49. 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. 50. 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. 51. 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. 52. Minnesota Statutes 1982, section 473.801, subdivision 1, is amended to read:

Subdivision 1. For the purposes of sections 473.801 to (473.823 AND SECTIONS 473.827, 473.831, AND 473.833) 473.845 the terms defined in this section have the meanings given them.

Sec. 53. Minnesota Statutes 1982, section 473.801, subdivision 4, is amended to read:

Subd. 4. Unless otherwise provided the definitions of terms (DEFINED) in section 115A.03 shall apply to sections 473.801 to (473.823) 473.845.

Sec. 54. 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 generation of solid waste. The council shall notify a county of any site proposed by the county which the council disapproves and shall allow the county 60 days to propose an alternative site. If the county fails to propose an alternative acceptable to the council in the time allowed, the council shall propose a site acceptable to it for inclusion in the inventory of sites in that county. If in the council's judgment a county does not contain the requisite number of satisfactory sites, the council may reduce the number of sites required of that county.

Sec. 55. 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. 56. 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. 57. 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. 58. 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. 59. 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. 60. 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. 61. 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. 62. [473.838] [CITATION.]

Sections 63 to 69 may be cited as the "Metropolitan Landfill Abatement Act."

Sec. 63. [473.839] [DEFINITIONS.]

Subdivision 1. [SCOPE.] As used in sections 63 to 69, the terms defined in this section have the meanings given them.

Subd. 2. [MARKET DEVELOPMENT.] "Market development" means the location and facilitation of economic markets for materials, substances, energy, or other products contained within or derived from waste.

Subd. 3. [MIXED MUNICIPAL SOLID WASTE DISPOSAL FACILITY.] "Mixed municipal solid waste disposal facility" means a waste facility used for the disposal of mixed municipal solid waste.

Subd. 4. [OPERATOR.] "Operator" means:

(1) the permittee of a mixed municipal solid waste disposal facility that has an agency permit; or

(2) the person in control of a mixed municipal solid waste disposal facility that does not have an agency permit.

Subd. 5. [RESPONSE.] "Response" has the meaning given it in section 115B.02, subdivision 18.

Subd. 6. [SOLID WASTE DISPOSAL FACILITY.] "Solid waste disposal facility" means a waste facility which is used for the disposal of solid waste.

Sec. 64. [473.840] [METROPOLITAN SOLID WASTE LANDFILL FEE.]

Subdivision 1. [AMOUNT OF FEE; APPLICATION.] The operator of a mixed municipal solid waste disposal facility in the metropolitan area shall pay a fee on solid waste accepted and disposed at the facility as follows:

(a) A facility that weighs the waste that it accepts must pay a fee of 50 cents per cubic yard based on equivalent cubic yards of waste accepted at the entrance of the facility.

(b) A facility that does not weigh the waste but that measures the volume of the waste that it accepts must pay a fee of 50 cents per cubic yard of waste accepted at the entrance of the facility.

(c) Waste residue from energy and resource recovery facilities at which solid waste is processed for the purpose of extracting, reducing, converting to energy, or otherwise separating and preparing solid waste for reuse is exempt from one-half of the amount of fee imposed by this subdivision if there is at least an 85 percent volume reduction in the solid waste processed. To

qualify for exemption under this clause, waste residue must be brought to a disposal facility separately. The commissioner of revenue, with the advice and assistance of the agency, shall prescribe procedures for determining the amount of waste residue qualifying for exemption.

Subd. 2. [DISPOSITION OF PROCEEDS.] *The proceeds of the fees imposed under this section, including interest and penalties, must be deposited as follows:*

(a) *one-half of the proceeds must be deposited in the landfill abatement fund established in section 65; and*

(b) *one-half of the proceeds must be deposited in the metropolitan landfill contingency action fund established in section 66.*

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 of revenue.*

Subd. 4. [EXCHANGE OF INFORMATION.] *Notwithstanding the provisions of section 116.075, the 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 is 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. The commissioner of revenue shall administer the provisions.*

Subd. 6. [RULES.] *The commissioner of revenue may adopt rules necessary to implement this section.*

Subd. 7. [ADMINISTRATIVE EXPENSES.] *Any amount expended by the commissioner of revenue from a general fund appropriation to enforce and administer this section must 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.*

Sec. 65. [473.841] [METROPOLITAN LANDFILL ABATEMENT FUND.]

Subdivision 1. [ESTABLISHMENT; PURPOSES.] The metropolitan 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 in the metropolitan area. The fund consists of revenue deposited in the fund under section 64, subdivision 2, 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 fund. Except as otherwise provided in section 71, subdivisions 2 and 3, and section 64, subdivision 7, the money in the fund may be spent, upon appropriation by the legislature, only for the following purposes:

(1) solid waste management planning assistance in the metropolitan area under sections 115A.42 to 115A.46;

(2) grants and loans to any person for resource recovery projects and related public education in the metropolitan area under subdivision 4;

(3) grants and loans to any person for market development for reusable or recyclable waste materials as provided in subdivision 2, clause (a); and

(4) administration and technical assistance by the metropolitan council as provided in subdivision 2, clause (b).

Subd. 2. [ALLOCATION.] (a) Up to ten percent of the money in the fund may be appropriated to the agency for transfer to the metropolitan council for grants under subdivision 1, clause (3).

(b) Up to five percent of the money in the fund may be appropriated to the agency for transfer to the metropolitan council for technical assistance and grant administration.

Subd. 3. [COMMISSION RECOMMENDATION.] The legislative commission on waste management shall make recommendations to the standing legislative committees on finance and appropriations about appropriations from the fund.

Subd. 4. [RESOURCE RECOVERY GRANTS AND LOANS.] The grant and loan program under this subdivision is administered by the metropolitan council. 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 for planning may not exceed 50 percent of the planning costs. Grants and loans for acquisition of land and equipment and for capital improvements may not exceed 50 percent of the cost of the project. Grants and loans may be made for public education on the need for the resource recovery projects. A grant

or loan for land, equipment, or capital improvements may not 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. Grants and loans made to cities, counties, or solid waste management districts must be for projects that are in conformance with approved master plans.

Sec. 66. [473.842] [METROPOLITAN LANDFILL CONTINGENCY ACTION FUND.]

Subdivision 1. [ESTABLISHMENT.] The metropolitan landfill contingency action fund is created as an account in the state treasury. The fund consists of revenue deposited in the fund under section 64, subdivision 2, clause (b); amounts recovered under subdivision 6; and interest earned on investment of money in the fund.

Subd. 2. [CLOSURE AND POSTCLOSURE, RESPONSE PAYMENTS.] Money in the fund may only be appropriated to the agency for expenditure for:

(1) reasonable and necessary expenses for closure and post-closure care of a mixed municipal solid waste disposal facility in the metropolitan area 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 in the metropolitan area that has been closed for 20 years in compliance with the closure and postclosure rules of the agency.

Subd. 3. [COMMISSION RECOMMENDATION.] The legislative commission on waste management shall make recommendations to the standing legislative committees on finance and appropriations about appropriations from the fund.

Subd. 4. [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 sections 63 to 69 or by agency rules.

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

(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 sections 63 to 69; 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. 6. [RECOVERY OF EXPENSES.] *When the agency incurs expenses for response actions 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 must be deposited in the metropolitan landfill contingency action fund.*

Subd. 7. [CIVIL PENALTIES.] *The civil penalties of section 115.071 apply to any person in violation of this section. All money recovered by the state under any statute or rule related to the regulation of solid waste in the metropolitan area, including civil penalties and money paid under any agreement, stipulation, or settlement, shall be deposited in the fund.*

Sec. 67. [473.843] [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 describing the activities for which money from the landfill abatement and contingency action funds has been spent during the previous fiscal year.

Sec. 68. [473.844] [OPERATOR OR OWNER LIABILITY FOR RESPONSE EXPENSES.]

The operator or owner of a mixed municipal solid waste disposal facility in the metropolitan area is not liable under any other law for response costs incurred by the agency at that facility under section 66, 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 costs must not be construed to affect the liability of any other person who may be liable for those costs.

Sec. 69. [473.845] [COUNTY FEE AUTHORITY.]

A metropolitan county and counties contiguous to a metropolitan county may charge a fee to operators of mixed municipal solid waste disposal facilities within the county. The fee may not

exceed 25 cents per cubic yard of solid waste accepted and disposed at the facility. The county fee is in addition to the fee paid under section 65. The proceeds of the county fee must be deposited in the county general fund and used for landfill abatement purposes or response actions. Waste residue from energy and resource recovery facilities at which solid waste is processed for the purpose of extracting, reducing, converting to energy, or otherwise separating and preparing solid waste for reuse is exempt from one-half the amount of fee imposed by a county under this section if there is at least an 85 percent volume reduction in the solid waste processed. To qualify for exemption under this section, procedures provided under section 64, subdivision 1, clause (c) must be followed.

Sec. 70. [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. 71. [APPROPRIATIONS.]

Subdivision 1. [AMOUNTS.] The following amounts are appropriated from the general fund to the agency for the biennium ending June 30, 1985:

(1) for a grant to the metropolitan council for the organized collection system study in section 70, \$50,000;

(2) for adoption of rules and enforcement pursuant to section 43, \$90,000.

The complement of the agency is increased by two positions.

Subd. 2. [REIMBURSEMENT.] Any amount expended by the agency and 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 landfill abatement fund to the commissioner of finance for transfer to the general fund.

Subd. 3. [FEE ADMINISTRATION.] The sum of \$75,000 is appropriated from the general fund to the commissioner of revenue for the purpose of administering section 64. This appropriation is available until June 30, 1985. This appropriation shall be reimbursed to the general fund under section 64, subdivision 7. The complement of the department of revenue is increased by two positions.

Subd. 4. [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, \$100,000;

(2) for hazardous waste collection grants, \$550,000;

(3) for hazardous waste processing grants, \$500,000;

(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.

Sec. 72. [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. 73. [EXEMPTION TO CERTIFICATE OF NEED.]

Section 60 does not apply to any expansion of a facility for which the EIS preparation notice has been published by March 15, 1984.

Sec. 74. [APPLICATION.]

This act is effective the day following final enactment, except sections 29 and 30 are effective January 1, 1985. Sections 49 to 61 are effective in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington."

Amend the title as follows:

Page 1, line 22, delete "subdivisions 1 and" and insert "sub-division"

Page 1, line 29, after "4;" insert "473.801, subdivisions 1 and 4;"

Page 1, line 41, delete "116E" and insert "473"

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. 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 recommendation that the bill pass.

The report was adopted.

Rice from the Committee on Appropriations 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; 116.18, subdivisions 2 and 4, and by adding a subdivision; Minnesota Statutes 1983 Supplement, section 116.18, subdivision 1; repealing Minnesota Statutes 1982, section 116.16, subdivisions 6 and 7.

Reported the same back with the following amendments:

Page 7, line 36, delete "9" and insert "10"

Page 8, line 5, delete "9" and insert "10"

Page 8, line 7, delete "the control of combined"

Page 8, line 8, delete "sewer overflow"

Page 9, line 33, delete "9" and insert "10"

Page 10, lines 6 and 27, delete "9" and insert "10"

Page 13, after line 3, insert:

"Sec. 9. Minnesota Statutes 1982, section 116.18, is amended by adding a subdivision to read:

Subd. 2a. [STATE MATCHING GRANTS PROGRAM BEGINNING OCTOBER 1, 1984.] *For projects tendered, on or after October 1, 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 55 per centum or more of the eligible cost for construction of the treatment works, state funds appropriated under subdivision 1 must be expended at up to 15 percent of the eligible cost of construction for municipalities for which such construction would otherwise impose significant financial hardship; provided, that not less than 25 percent of the eligible 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 75 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 25 percent of the eligible cost shall be paid by the municipality. The amounts of such matching grants shall be based on per connection capital cost, median household income, and per capita adjusted assessed valuation."

Page 13, line 9, after the period insert "The agency may award grants for up to an additional 15 percent or, if the agency requires advanced treatment, up to an additional ten percent of the eligible cost of construction to municipalities for which such construction would otherwise impose significant financial hardship; the amounts of such additional grants shall be based on per connection capital cost, median household income, and per capita adjusted assessed valuation."

Page 13, line 11, after the period insert "Not more than 20 percent of the total amount of grants awarded under this subdivision in any single fiscal year may be awarded for projects for the control of combined sewer overflow as defined by federal regulation. Until December 31, 1990"

Page 14, line 22, after "\$" insert "342,800 in fiscal year 1985"

Page 14, line 24, delete "10" and insert "11"

Page 14, line 25, after "by" insert "12"

Page 14, line 30, delete "12" and insert "13"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 8, delete "a subdivision" and insert "subdivisions"

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. 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 32, after "\$" insert "25,000"

Page 3, line 35, after "upon" insert "3 to 1"

Page 4, line 1, after the period insert "*The complement of the department is increased by three positions.*"

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. 1857, A bill for an act relating to veterans; clarifying certain veteran benefit definitions to include veterans who have served in the Grenada campaign or with the peacekeeping forces in the Lebanon campaign; amending Minnesota Statutes 1982, sections 124.565, subdivision 7; 198.01; and 462A.05, subdivision 19.

Reported the same back with the following amendments:

Page 3, line 7, after "Lebanon" insert "*; provided that the veteran must have been awarded a campaign ribbon for service during that mission*"

Page 3, line 9, after "1983" insert "*; provided that the veteran must have been awarded a campaign ribbon for service during that campaign*"

Page 3, after line 34, insert:

"Sec. 4. [APPROPRIATION.]

The sum of \$80,000 is appropriated from the general fund to the housing finance agency for the purpose of granting loans pursuant to 462A.05, subdivision 19. This appropriation shall not cancel and is available until expended."

Amend the title as follows :

Page 1, line 5, after the semicolon, insert "appropriating money;"

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. 1920, A bill for an act relating to public welfare; establishing payments for respite care of children who are mentally retarded, have epilepsy, or are emotionally handicapped; 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 3, line 2, delete "*It is the*"

Page 3, delete line 3

Page 3, line 4, delete "*the parent and child.*"

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. 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, line 24, before the period insert "*and after enactment of similar legislation in the state of Wisconsin*"

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. 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 following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1983 Supplement, section 116J.88, subdivision 7, is amended to read:

Subd. 7. [BUSINESS LOAN.] "Business loan" means a loan, other than a pollution control loan (,) or farm loan to the owner of an eligible small business for the financing of (a) capital expenditures, on an interim or long-term basis, for the acquisition or improvement of land, acquisition, construction, removal, or improvement of buildings, or acquisition and installation of fixtures and equipment useful for the conduct of the business; or (b) short-term costs of conducting an eligible small business.

Sec. 2. Minnesota Statutes 1983 Supplement, section 116J.88, subdivision 7a, is amended to read:

Subd. 7a. [FARM LOAN.] "Farm loan" means a loan to a farm business for the acquisition, installation, improvement, construction, *rehabilitation*, or removal of buildings, or acquisition and installation of fixtures or equipment, useful for the conduct of a farm business, or for the acquisition of livestock for breeding purposes.

Sec. 3. Minnesota Statutes 1982, section 116J.88, is amended by adding a subdivision to read:

Subd. 7b. [FARM BUSINESS.] "*Farm business*" means a person, partnership, corporation, or other entity that is engaged or will engage in farming, livestock or agricultural production which qualifies as an eligible small business.

Sec. 4. Minnesota Statutes 1983 Supplement, section 116J.90, subdivision 3, is amended to read:

Subd. 3. [DIRECT BUSINESS (AND FARM) LOANS; LIMITATIONS.] The authority may make business loans (OR

FARM LOANS) not exceeding \$100,000 in principal amount, at interest rates and subject to terms determined by the authority, provided that each loan shall be made only from the proceeds of a bond or note payable in whole or part from the repayments of principal and interest on the loan. The loans may also be guaranteed or insured by money on deposit in the economic development fund or any special account of it, and may be secured by reserve funds and other collateral and available money as determined by the authority. The authority may enter into all necessary contracts and security instruments in connection with them. The limitation on loan amounts in this subdivision does not apply to energy loans and loans insured under sections 93 and 94.

Sec. 5. Minnesota Statutes 1982, section 116J.90, is amended by adding a subdivision to read:

Subd. 3a. [FARM LOANS; PUBLIC PURPOSE.] The encouragement of the investment of private capital in the agricultural sector through the use of financing to provide farm loans at interest rates lower than those available in conventional farm credit markets is a public purpose and is necessary to protect the health, safety, and general welfare of the people of this state.

Sec. 6. Minnesota Statutes 1982, section 116J.90, is amended by adding a subdivision to read:

Subd. 3b. [FARM LOANS; AUTHORITY.] The authority may make or purchase or participate with financial institutions in making or purchasing farm loans not exceeding \$100,000 in principal amount, upon the conditions described in this section, and may enter into commitments for farm loans, on the terms and conditions and with the security determined by the authority. The loans may be made or purchased only from the proceeds of bonds or notes issued pursuant to subdivision 3c. For this purpose, the authority may exercise all powers conferred on it by sections 116J.88 to 116J.91 with respect to business loans. Loans and loan commitments must be originated and serviced by one or more financial institutions authorized to transact that business in this state. The authority shall make or participate in farm loans only when the authority determines that financing is not otherwise available, in whole or in part, from private lenders on equivalent terms and conditions.

Sec. 7. Minnesota Statutes 1982, section 116J.90, is amended by adding a subdivision to read:

Subd. 3c. [FARM LOANS; BONDS AND NOTES.] The authority may issue its bonds or notes to provide money for the purposes specified in subdivision 3b, which are payable in whole or in part from repayments of principal and interest on farm loans. For this purpose, the authority may exercise all powers conferred upon it by sections 116J.88 to 116J.91 with respect to

bonds or notes to be issued to provide money for business loans. The principal amount of bonds and notes issued and outstanding under this subdivision at any time, computed as specified in section 116J.91, subdivision 11, may not exceed \$30,000,000. This authorization is in addition to the authorization contained in section 116J.91, subdivision 11. Sections 116J.88 to 116J.91 are applicable to bonds and notes covered by this subdivision and the application of the proceeds from the bonds and notes.

Sec. 8. [EFFECTIVE DATE.]

This act is effective the day following final enactment.

Delete the title and insert:

"A bill for an act relating to 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 1982, sections 116J.88, by adding a subdivision; 116J.90, by adding subdivisions; Minnesota Statutes 1983 Supplement, sections 116J.88, subdivisions 7 and 7a; and 116J.90, subdivision 3."

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. 2157, A bill for an act relating to the legislative auditor; authorizing the audit of metropolitan agencies, boards, and commissions; amending Minnesota Statutes 1982, sections 3.971, subdivision 2; and 473.121, 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 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, board, or commission created under chapter 473.*

Sec. 2. [3.9741] [COST OF EXAMINATION, BILLING, PAYMENT.]

Upon the audit of the financial accounts and affairs of any commission pursuant to section 473.413, 473.595, 473.604, or 473.703, the affected metropolitan commission is liable to the state for the total cost and expenses of the audit, including the salaries paid to the examiners while actually engaged in making the examination. The legislative auditor may bill the metropolitan commission either monthly or at the completion of the audit. All collections received for the audits must be deposited in the general fund.

Sec. 3. Minnesota Statutes 1982, section 473.413, subdivision 11, is amended to read:

Subd. 11. [COMMISSION; AUDITOR OF FINANCES.] The (COMMISSION SHALL EMPLOY A CERTIFIED PUBLIC ACCOUNTANT OR FIRM THEREOF TO) *legislative auditor shall* make an annual audit of the commission's financial accounts and affairs for the last fiscal year on or before November 30 of each year (, AND). Copies of the report thereof shall be filed and kept open to public inspection in the offices of the secretary of the commission and the secretary of state. The information in the audit shall be contained in the annual report and distributed in accordance with section 473.445.

Sec. 4. Minnesota Statutes 1982, section 473.595, subdivision 5, is amended to read:

Subd. 5. [AUDIT.] The (COMMISSION ONCE EACH YEAR) *legislative auditor shall (HAVE) make* an independent audit (MADE) of (ITS) *the commission's* books and accounts (BY A CERTIFIED PUBLIC ACCOUNTANT) *once each year or as often as the legislative auditor's funds and personnel permit.* The costs of the audits shall be paid by the commission pursuant to section 2. (ONCE EACH YEAR THE COMMISSION SHALL PREPARE AND FILE A WRITTEN REPORT WITH THE LEGISLATIVE AUDITOR IN SUCH FORM AND CONTAINING SUCH INFORMATION AS THE LEGISLATIVE AUDITOR MAY PRESCRIBE.) The council (OR THE LEGISLATIVE AUDITOR) may examine the commission's books and accounts at any time.

Sec. 5. Minnesota Statutes 1982, section 473.604, is amended by adding a subdivision to read:

Subd. 6. [AUDIT.] *The legislative auditor shall audit the books and accounts of the commission once each year or as often as the legislative auditor's funds and personnel permit. The commission shall pay the total cost of the audit pursuant to section 2.*

Sec. 6. Minnesota Statutes 1982, section 473.703, is amended by adding a subdivision to read:

Subd. 10. [AUDIT.] The legislative auditor shall audit the books and accounts of the commission once each year or as often as the legislative auditor's funds and personnel permit. The commission shall pay the total cost of the audit pursuant to section 2.

Sec. 7. [APPROPRIATION.]

For the fiscal year ending June 30, 1985, the sum of \$95,700 is appropriated from the general fund to the legislative audit commission. This appropriation is for personnel and expenses related to the duties contained in sections 1 to 6. It is estimated that \$95,700 in nondedicated receipts will be deposited in the general fund during fiscal year 1985. The legislative auditor shall determine whether providing these services with the staff of the auditor or using consultant services for these functions is more cost effective."

Delete the title and insert:

"A bill for an act relating to the legislative auditor; clarifying authority to perform program evaluations of metropolitan commissions; authorizing the audit of certain metropolitan commissions; appropriating money; amending Minnesota Statutes 1982, sections 3.971, subdivision 2; 473.413, subdivision 11; 473.595, subdivision 5; 473.604, by adding a subdivision; and 473.703, by adding a subdivision; proposing new law coded in Minnesota Statutes, chapter 3."

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. 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 following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [CLAIMS.]

Subdivision 1. The purpose of this legislation is to take an initial step toward resolving disputes over the ownership of land

on the White Earth Indian Reservation by allowing the state to participate with the United States in an overall settlement; provided that the United States Congress passes a settlement statute that appropriately and meaningfully compensates either Indians or non-Indians for possible lost property interests.

Subd. 2. The attorney general is authorized to enter into an agreement with the United States as part of a settlement of Indian land claims on the White Earth Reservation. This agreement must transfer from the state to the United States the ownership of 10,000 acres of land within the White Earth Reservation currently owned in fee or in trust for local taxing districts by the state of Minnesota, including mineral interests when held in this manner. The agreement must state that the land is to be held in trust for the White Earth Band of Chippewa Indians.

No agreement shall be entered into until the United States has approved legislation substantially resolving title problems currently identified by the department of interior on the White Earth Reservation, and until the attorney general is satisfied that the United States legislation appropriately and effectively settles Indian land claims on the White Earth Reservation and substantially removes the possibility of litigation with private landowners over the Indian land claims.

Sec. 2. [REPORT.]

The department of natural resources shall submit a report to the legislature by January 1, 1985, which shall summarize the origin of the title of all lands held by the state of Minnesota in fee or in trust on the White Earth Reservation.

Sec. 3. [APPROPRIATION.]

The sum of \$600,000 is appropriated from the general fund to the attorney general for the following purposes:

(1) \$500,000 to be used to provide technical and computer assistance to the United States for implementing the settlement described in section 1; and

(2) \$100,000 for necessary publication, administrative, and consulting costs in negotiating or implementing the agreement or settlement.

These appropriations shall not cancel and are available until expended. However, if the United States Congress fails to pass appropriate legislation as described in section 1, by December 31, 1985, this act shall become null and void, and any unexpended funds shall revert to the general fund.

The appropriation contained in clause 1 is available for expenditure only with the approval of the governor after consultation with the legislative advisory commission, pursuant to Minnesota Statutes, section 3.30. When the funds are requested, the attorney general must supply a budget detailing expenditure of these funds."

With the recommendation that when so amended the bill pass.

The report was adopted.

Rice from the Committee on Appropriations to which was referred:

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.

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.*

Sec. 2. 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. 3. 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 re-

covery, 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 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. The program shall be evaluated by the alternative energy technical activity created in section 6.*

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. 4. 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. 5. 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, 1982, 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. 6. [116J.261] [ALTERNATIVE ENERGY TECHNICAL ACTIVITY.]

Subdivision 1. [CREATION, GOALS.] To further the development of indigenous energy resources and energy conservation, the commissioner shall establish an alternative energy technical activity. The activity 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 alternative energy technical activity 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. 7. 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. 8. 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 dis-*

district heating system only, municipality also means a nonprofit corporation organized pursuant to the provisions of chapter 317 whose membership is limited to the mayor and governing body of the city in which the district heating system is located.

(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 cost-effective 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 that meet the criteria specified in subdivision 8a and any rule adopted under that subdivision. Qualified energy improvements shall meet all environmental and permitting standards established by state and federal law.

Subd. 3. [ELIGIBILITY, DISTRICT HEATING.] The commissioner of finance, upon (REQUEST) recommendation of the (GOVERNOR) authority, may make loans to municipalities for the acquisition, construction, expansion, or modification of district heating systems. A loan shall be made only to a municipality that has demonstrated 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 obtaining 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 best meet 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 shall include criteria for analyzing the cost-effectiveness of improvements. 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, franchise fees, special assessments, or to use any other money available to it from any other specified source, in amounts and at times that if collected in full will annually produce at least five percent in excess of the amount needed for all annual costs of the system, including annual repayment on state loans. A municipality may also pledge to levy an ad valorem tax to guarantee the payments under the loan agreement. For the purpose of repaying the loan, the municipality by resolution of its governing body may fix the rates and charges for district heating system 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. 9. [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. 10. [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.] 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. 11. [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. 12. 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 may adopt temporary rules which may remain in effect for 360 days.*

Sec. 13. [APPROPRIATION.]

Subdivision 1. \$150,000 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 alternative energy technical activity. The complement of the department is increased by one position.

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 alternative energy technical activity. 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 in the unclassified service.

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 8.

Subd. 6. \$47,800 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.

The complement of the department is increased by one position in the unclassified service.

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. \$2,500,000 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. Any federal money received before December 31, 1984, in excess of anticipated revenues for the weatherization program shall reduce the state appropriation for this purpose by a like amount."

Further, 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; providing for miscellaneous changes in the programs of the state related to energy; appropriating money; amending Minnesota Statutes 1982, sections 3.351; 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.

The report was adopted.

Rice from the Committee on Appropriations to which was referred:

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.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [COMPENSATION COMPARABILITY STUDY.]

The legislature requests the regents of the University of Minnesota to conduct a job evaluation study to determine the extent to which comparability of the value of work is reflected in the salaries of its nonacademic employees. The study is to include an analysis of compensation comparability for male-dominated, female-dominated, and balanced classes of employees as those classes are defined in Minnesota Statutes, section 43A.02.

Sec. 2. [REPORT OF STUDY.]

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.

The report was adopted.

SECOND READING OF HOUSE BILLS

H. F. Nos. 688, 820, 1237, 1315, 1427, 1577, 1711, 1769, 1842, 1857, 1920, 2006, 2051, 2157 and 2188 were read for the second time.

SECOND READING OF SENATE BILLS

S. F. Nos. 1526 and 1760 were read for the second time.

Eken moved that the House recess subject to the call of the Chair. The motion prevailed.

RECESS

RECONVENED

The House reconvened and was called to order by the Speaker.

REPORT FROM THE COMMITTEE ON RULES AND
LEGISLATIVE ADMINISTRATION

Eken, from the Committee on Rules and Legislative Administration, pursuant to Rule 1.9, designated the following bills as Special Orders to be acted upon immediately preceding General Orders for today, Friday, April 13, 1984:

S. F. Nos. 1832 and 1495; H. F. Nos. 1981, 1658, 1743, 1775, 1803, 1839, 1853, 1875 and 1878; S. F. No. 1927; H. F. Nos. 1946, 1974, 322, 1352, 1422, 1502, 1619, 1656, 1679, 1709, 1749, 1753 and 1771.

SPECIAL ORDERS

The Speaker called Wynia to the Chair.

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 third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 119 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

S. F. No. 1495 was reported to the House.

Rodriguez, C., moved to amend S. F. No. 1495, as follows:

Page 2, after line 36, insert:

"This subdivision does not apply to any nonpublic school or any school district before January 1, 1985."

Page 7, after line 2, insert:

"Sec. 5. [EFFECTIVE DATES.]

The provisions of section 1 which provide that Minnesota Statutes 1983 Supplement, section 182.653, subdivision 4b, does not apply to any nonpublic school or any school district before January 1, 1985 shall be effective the day following enactment. All other provisions of this bill shall be effective August 1, 1984."

The motion prevailed and the amendment was adopted.

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, sections 182.653, subdivisions 4b, 4c, and 4f; and 182.654, subdivision 11.

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

The question was taken on the passage of the bill and the roll was called. There were 121 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

H. F. No. 1981 was reported to the House.

Riveness moved that H. F. No. 1981 be continued on Special Orders for one day. The motion prevailed.

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 third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 31 yeas and 89 nays as follows:

Those who voted in the affirmative were:

Battaglia	Kahn	Metzen	Osthoff	Sarna
Begich	Kalis	Minne	Otis	Simoneau
Brinkman	Kelly	Munger	Peterson	Voss
Eken	Kostohryz	Murphy	Piper	Welle
Greenfield	Mann	O'Connor	Rodriguez, F.	Wynia
Jacobs	McEachern	Ogren	St. Onge	Speaker Sieben
Jensen				

Those who voted in the negative were:

Anderson, G.	Dimler	Johnson	Price	Staten
Anderson, R.	Elioff	Knickerbocker	Quist	Sviggum
Beard	Erickson	Knuth	Redalen	Swanson
Bennett	Evans	Kvam	Reif	Thiede
Bergstrom	Findlay	Larsen	Rodriguez, C.	Tomlinson
Bishop	Fjoslien	Levi	Rose	Tunheim
Blatz	Forsythe	Long	Schafer	Uphus
Boo	Frerichs	Ludeman	Scheid	Valan
Brandl	Graba	Marsh	Schoenfeld	Valento
Burger	Gruenes	McDonald	Schreiber	Vanasek
Carlson, D.	Gutknecht	McKasy	Seaberg	Vellenga
Carlson, L.	Halberg	Nelson, D.	Segal	Waltman
Clark, J.	Haukoos	Nelson, K.	Shaver	Welch
Clawson	Heap	Olsen	Shea	Welker
Cohen	Heinitz	Omann	Sherman	Wenzel
Coleman	Hoffman	Onnen	Skoglund	Wigley
Dempsey	Hokr	Pauly	Solberg	Zaffke
DenOuden	Jennings	Piepho	Sparby	

The bill was not passed.

O'Connor was excused for the remainder of today's session.

H. F. No. 1743 was reported to the House.

Waltman moved to amend H. F. No. 1743, the first engrossment, as follows:

Page 2, line 12, after "and" insert "*unless that person was a bonded auctioneer before the effective date of section 1,*"

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 39 yeas and 71 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Dimler	Krueger	Quist	Uphus
Bishop	Erickson	Kvam	Reif	Valan
Blatz	Findlay	Levi	Schafer	Voss
Boo	Fjoslien	Ludeman	Schoenfeld	Waltman
Brandl	Graba	Ogren	Seaberg	Welker
Burger	Gutknecht	Omann	Shaver	Wenzel
Carlson, D.	Heinitz	Onnen	Skoglund	Wigley
DenOuden	Johnson	Pauly	Sviggum	

Those who voted in the negative were:

Anderson, R.	Frerichs	Knuth	Osthoff	Sherman
Battaglia	Greenfield	Kostohryz	Otis	Simoncau
Beard	Cruenes	Larsen	Peterson	Sparby
Begich	Gustafson	Mann	Picpho	Swanson
Bennett	Halberg	Marsh	Piper	Tomlinson
Bergstrom	Heap	McDonald	Price	Tunheim
Brinkman	Himle	McEachern	Quinn	Valento
Carlson, L.	Hoffman	Metzen	Redalen	Vanasek
Clawson	Hokr	Minne	Rodriguez, C.	Vellenga
Cohen	Jacobs	Munger	Rodriguez, F.	Welch
Dempsey	Jensen	Murphy	Rose	Welle
Eken	Kalis	Neuenschwander	Sarna	Wynia
Elioff	Kelly	Norton	Scheid	Zaffke
Evans	Knickerbocker	Olsen	Schreiber	Speaker Sieben
Forsythe				

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

Gutknecht, Shaver, Uphus, Waltman and Johnson moved to amend H. F. No. 1743, the first engrossment, as follows:

Page 2, after line 13, insert:

“(i) auctioneers who are licensed and bonded pursuant to section 330.02;”

Renumber the succeeding clauses

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 29 yeas and 89 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Erickson	Ludeman	Schafer	Valento
Blatz	Findlay	Ogren	Schoenfeld	Voss
Burger	Fjoslien	Onnen	Shaver	Waltman
Carlson, D.	Gutknecht	Pauly	Skoglund	Welker
DenOuden	Johnson	Quist	Sviggum	Wenzel
Dimler	Krueger	Reif	Uphus	

Those who voted in the negative were:

Anderson, B.	Elioff	Kahn	Neuenschwander	Simoneau
Anderson, R.	Ellingson	Kalis	Norton	Solberg
Battaglia	Evans	Kelly	Olsen	Sparby
Beard	Forsythe	Knickerbocker	Osthoff	Staten
Begich	Frerichs	Knuth	Otis	Swanson
Bennett	Graba	Kostohryz	Peterson	Thiede
Bergstrom	Greenfield	Kvam	Piepho	Tomlinson
Bishop	Gruenes	Larsen	Piper	Tunheim
Boo	Halberg	Levi	Price	Valan
Brandl	Haukoos	Long	Quinn	Vanasek
Brinkman	Heap	Mann	Redalen	Vellenga
Carlson, L.	Heinitz	McEachern	Rodriguez, C.	Welch
Clark, J.	Himle	Metzen	Rodriguez, F.	Welle
Clawson	Hoffman	Minne	Sarna	Wigley
Cohen	Hokr	Munger	Scheid	Wynia
Coleman	Jacobs	Murphy	Seaberg	Zaffke
Dempsey	Jennings	Nelson, D.	Segal	Speaker Sieben
Eken	Jensen	Nelson, K.	Sherman	

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

Gutknecht, Wenzel, Larsen, Waltman, Wigley, Johnson and Shaver moved to amend H. F. No. 1743, the first engrossment, as follows:

Page 2, after line 13, insert:

“(i) notwithstanding clause (h), any person who acts as an auctioneer, bonded in conformity with section 330.02; when that person is engaged in the specific performance of his or her duties as an auctioneer and who conducts fewer than seven real estate auctions in a year;”

Renumber the succeeding clauses

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 39 yeas and 77 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Fjoslien	Larsen	Reif	Skoglund
Boo	Graba	Levi	St. Onge	Sviggum
Burger	Gutknecht	McDonald	Schafer	Thiede
Carlson, D.	Heinitz	Ogren	Schoenfeld	Uphus
DenOuden	Jennings	Omann	Schreiber	Waltman
Dimler	Johnson	Onnen	Seaberg	Welker
Erickson	Krueger	Pauly	Shaver	Wigley
Findlay	Kvam	Quist	Shea	

Those who voted in the negative were:

Anderson, R.	Begich	Brandl	Clawson	Dempsey
Battaglia	Bennett	Brinkman	Cohen	Eken
Beard	Bergstrom	Carlson, L.	Coleman	Elioff

Ellingson	Kalis	Nelson, D.	Rodriguez, C.	Tunheim
Forsythe	Kelly	Neuenschwander	Rodriguez, F.	Valento
Frerichs	Knickerbocker	Norton	Rose	Vanasek
Greenfield	Knuth	Olsen	Sarna	Vellenga
Gruenes	Kostohryz	Osthoff	Scheid	Welch
Haukoos	Long	Otis	Segal	Welle
Heap	Mann	Peterson	Sherman	Wenzel
Himle	Marsh	Piepho	Simoneau	Wynia
Hoffman	McEachern	Piper	Solberg	Zaffke
Hokr	Metzen	Price	Sparby	Speaker Sieben
Jacobs	Minne	Quinn	Staten	
Jensen	Munger	Redalen	Swanson	
Kahn	Murphy	Riveness	Tomlinson	

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

Welker moved to amend H. F. No. 1743, the first engrossment, as follows:

Page 3, after line 3, insert "Section 3. Minnesota Statutes, section 82.19 is repealed."

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 25 yeas and 91 nays as follows:

Those who voted in the affirmative were:

Burger	Findlay	Jennings	Pauly	Valento
Carlson, D.	Frerichs	Johnson	Quist	Waltman
DenOuden	Guknecht	Ludeman	Schafer	Welker
Dimler	Halberg	McDonald	Thiede	Wigley
Erickson	Heinitz	Onnen	Uphus	Zaffke

Those who voted in the negative were:

Anderson, B.	Ellingson	Knuth	Osthoff	Sherman
Anderson, G.	Evans	Kostohryz	Otis	Simoneau
Anderson, R.	Fjoslien	Krueger	Peterson	Skoglund
Battaglia	Forsythe	Larsen	Piepho	Solberg
Beard	Graba	Levi	Piper	Sparby
Begich	Greenfield	Long	Price	Staten
Bergstrom	Gruenes	Mann	Redalen	Swanson
Bishop	Gustafson	Marsh	Rice	Tomlinson
Blatz	Haukoos	McEachern	Riveness	Tunheim
Brandl	Heap	McKasy	Rodriguez, C.	Vellenga
Brinkman	Himle	Metzen	Rodriguez, F.	Welch
Carlson, L.	Hoffman	Minne	Rose	Welle
Clark, J.	Hokr	Munger	St. Onge	Wenzel
Clark, K.	Jacobs	Murphy	Sarna	Wynia
Clawson	Jensen	Nelson, K.	Scheid	Speaker Sieben
Cohen	Kahn	Norton	Schoenfeld	
Dempsey	Kalis	Ogren	Schreiber	
Eken	Kelly	Olsen	Seaberg	
Elioff	Knickerbocker	Omann	Segal	

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

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 third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 90 yeas and 27 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Forsythe	Knuth	Olsen	Segal
Battaglia	Frerichs	Kostohryz	Omann	Sherman
Beard	Graba	Larsen	Osthoff	Simoneau
Begich	Greenfield	Levi	Otis	Solberg
Bennett	Gruenes	Long	Peterson	Sparby
Bergstrom	Halberg	Mann	Piepho	Staten
Bishop	Haukoos	Marsh	Piper	Swanson
Blatz	Heap	McDonald	Price	Thiede
Brandl	Heinitz	McEachern	Quinn	Tomlinson
Brinkman	Himle	McKasy	Redalen	Tunheim
Carlson, L.	Hoffman	Metzen	Reif	Valan
Clark, K.	Hokr	Minne	Riveness	Valento
Clawson	Jacobs	Munger	Rodriguez, C.	Welch
Cohen	Jensen	Murphy	Rodriguez, F.	Welle
Coleman	Kahn	Nelson, D.	Rose	Wenzel
Dempsey	Kalis	Neuenschwander	Sarna	Wynia
Elioff	Kelly	Norton	Scheid	Zaffke
Evans	Knickerbocker	O'Connor	Schreiber	Speaker Sieben

Those who voted in the negative were:

Anderson, G.	Findlay	Ludeman	Schafer	Waltman
Burger	Fjoslien	Ogren	Schoenfeld	Welker
Carlson, D.	Gutknecht	Onnen	Skoglund	Wigley
DenOuden	Jennings	Pauly	Sviggum	
Dimler	Johnson	Quist	Uphus	
Erickson	Krueger	St. Onge	Voss	

The bill was passed and its title agreed to.

H. F. No. 1775 was reported to the House.

Otis moved that H. F. No. 1775 be continued on Special Orders for one day. The motion prevailed.

H. F. No. 1803, A bill for an act relating to Kandiyohi County; permitting the county to abate and cancel liens filed against property benefited by county ditches 10 and 46.

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

The question was taken on the passage of the bill and the roll was called. There were 120 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

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 third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 117 yeas and 2 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Dempsey	Himle	McEachern	Quist
Anderson, R.	DenOuden	Hoffman	McKasy	Redalen
Battaglia	Dimler	Hokr	Metzen	Reif
Beard	Elioff	Jacobs	Minne	Riveness
Begich	Ellingson	Jennings	Munger	Rodriguez, C.
Bennett	Erickson	Jensen	Murphy	Rodriguez, F.
Bergstrom	Evans	Johnson	Nelson, K.	Rose
Bishop	Findlay	Kahn	Norton	St. Onge
Blatz	Fjoslien	Kelly	Ogren	Sarna
Boo	Forsythe	Knickerbocker	Olsen	Schafer
Brandl	Frerichs	Knuth	Omann	Scheid
Brinkman	Graba	Kostohryz	Onnen	Schoenfeld
Burger	Greenfield	Krueger	Osthoff	Schreiber
Carlson, D.	Gruenes	Kvam	Otis	Seaberg
Carlson, L.	Gustafson	Larsen	Pauly	Segal
Clark, J.	Gutknecht	Levi	Peterson	Sherman
Clark, K.	Halberg	Long	Piepho	Simoneau
Clawson	Haukoos	Mann	Piper	Skoglund
Cohen	Heap	Marsh	Price	Solberg
Coleman	Heinitz	McDonald	Quinn	Staten

Sviggum	Tunheim	Vellenga	Welle	Wynia
Swanson	Uphus	Voss	Wenzel	Zaffke
Thiede	Valan	Waltman	Wigley	Speaker Sieben
Tomlinson	Valento			

Those who voted in the negative were:

Ludeman	Welker
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The bill was passed and its title agreed to.

H. F. No. 1853 was reported to the House.

Clawson moved to amend H. F. No. 1853, the first engrossment, as follows:

Page 1, line 19, after "of" insert "a permanent"

Page 1, line 19, delete "rules" insert "rule"

The motion prevailed and the amendment was adopted.

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 third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 116 yeas and 3 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Anderson, R. Findlay Fjoslien

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

H. F. No. 1875 was reported to the House.

Graba moved to amend H. F. No. 1875, the first engrossment, as follows:

Page 10, after line 17, insert:

"Sec. 7. Minnesota Statutes 1982, section 471.696, is amended to read:

471.696 [FISCAL YEAR; DESIGNATION.]

Beginning in 1979 the fiscal year of a city and all of its funds shall be the calendar year. The state auditor may upon request of a city and a showing of inability to conform, extend the deadline for compliance with this section for one year, *except that a city may, by resolution, provide that the fiscal year for city owned nursing homes be the reporting year designated by the commissioner of public welfare.*"

Renumber subsequent sections

Amend the title as follows:

Page 1, line 6, after the semicolon, insert "allowing for a change in the reporting year for municipal nursing homes;"

Page 1, line 8, delete "and"

Page 1, line 8, after "376.60" insert "and 471.696;"

The motion prevailed and the amendment was adopted.

Graba moved to amend H. F. No. 1875, the first engrossment, as amended, as follows:

Page 8, line 1, delete "shall" and insert "may"

Page 8, line 3, after "welfare" insert "if the county board approves"

The motion prevailed and the amendment was adopted.

H. F. No. 1875, A bill for an act relating to certain counties; providing for changes in the administration of county nursing homes and the issuance of general obligation bonds for such

homes; authorizing the establishment of facilities for the provision of supportive services; allowing for a change in the reporting year for municipal nursing homes; amending Minnesota Statutes 1982, sections 376.55; 376.56; 376.57; 376.58; 376.59; 376.60; and 471.696; 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 third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 113 yeas and 4 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Ellingson	Knickerbocker	Osthoff	Skoglund
Anderson, R.	Erickson	Knuth	Otis	Solberg
Battaglia	Evans	Kostohryz	Pauly	Sparby
Beard	Findlay	Krueger	Peterson	Staten
Begich	Fjoslien	Kvam	Piepho	Sviggum
Bennett	Forsythe	Larsen	Piper	Swanson
Bergstrom	Graba	Levi	Price	Thiede
Bishop	Greenfield	Long	Quinn	Tomlinson
Boo	Gruenes	Mann	Quist	Tunheim
Brandl	Gustafson	Marsh	Rice	Uphus
Brinkman	Gutknecht	McKasy	Riveness	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	Welle
Clawson	Hokr	Nelson, K.	Schafer	Wenzel
Cohen	Jacobs	Neuenschwander	Scheid	Wigley
Coleman	Jennings	Norton	Schoenfeld	Wynia
Deampsey	Jensen	Ogren	Seaberg	Zaffke
DenOuden	Johnson	Olsen	Shaver	Speaker Sieben
Dimler	Kalis	Omann	Sherman	
Elioff	Kelly	Onnen	Simoneau	

Those who voted in the negative were:

Frerichs	Ludeman	McDonald	Welker
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The bill was passed, as amended, and its title agreed to.

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 third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 95 yeas and 19 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Coleman	Knickerbocker	Olsen	Segal
Anderson, R.	Dempsey	Knuth	Onnen	Sherman
Battaglia	Eken	Kostohryz	Osthoff	Simoneau
Beard	Elioff	Krueger	Otis	Skoglund
Begich	Ellingson	Larsen	Peterson	Solberg
Bennett	Evans	Levi	Piepho	Sparby
Bergstrom	Forsythe	Long	Piper	Staten
Bishop	Graba	Mann	Price	Swanson
Blatz	Greenfield	Marsh	Quinn	Tomlinson
Boo	Gruenes	McKasy	Quist	Tunheim
Brandl	Gustafson	Metzen	Redalen	Valan
Brinkman	Halberg	Minne	Riveness	Vanasek
Burger	Heap	Munger	Rodriguez, C.	Vellenga
Carlson, D.	Hoffman	Murphy	Rodriguez, F.	Waltman
Carlson, L.	Jacobs	Nelson, D.	Rose	Welle
Clark, J.	Jensen	Nelson, K.	St. Onge	Wenzel
Clark, K.	Johnson	Neuenschwander	Scheid	Wigley
Clawson	Kalis	Norton	Schoenfeld	Wynia
Cohen	Kelly	Ogren	Seaberg	Speaker Sieben

Those who voted in the negative were:

DenOuden	Frerichs	Ludeman	Shaver	Valento
Dimler	Gutknecht	McDonald	Swiggum	Welker
Findlay	Heinitz	Pauly	Thiede	Zaffke
Fjoslien	Jennings	Schafer	Uphus	

The bill was passed and its title agreed to.

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 third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 98 yeas and 19 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Elioff	Knuth	Ogren	Sarna
Anderson, R.	Ellingson	Kostohryz	Olsen	Scheid
Battaglia	Forsythe	Krueger	Osthoff	Schoenfeld
Beard	Graba	Larsen	Otis	Schreiber
Begich	Greenfield	Levi	Pauly	Seaberg
Bergstrom	Gruenes	Long	Peterson	Segal
Bishop	Gustafson	Mann	Piepho	Shaver
Blatz	Gutknecht	Marsh	Piper	Shea
Boo	Halberg	McEachern	Price	Sherman
Brandl	Heap	McKasy	Quinn	Simoneau
Brinkman	Heinitz	Metzen	Redalen	Skoglund
Burger	Hoffman	Minne	Reif	Solberg
Carlson, L.	Jacobs	Munger	Rice	Sparby
Clark, J.	Jensen	Murphy	Riveness	Staten
Clawson	Johnson	Nelson, D.	Rodriguez, C.	Swanson
Cohen	Kahn	Nelson, K.	Rodriguez, F.	Tomlinson
Coleman	Kalis	Neuenschwander	Rose	Uphus
Dempsey	Knickerbocker	Norton	St. Onge	Valan

Vellenga
VossWaltman
WelleWenzel
Wigley

Wynia

Speaker Sieben

Those who voted in the negative were:

DenOuden
Dimler
Erickson
FindlayFjoslien
Frerichs
Haukoos
JenningsKvam
Ludeman
McDonald
OmannOnnen
Schafer
Sviggum
ThiedeValento
Welker
Zaffke

The bill was passed and its title agreed to.

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

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; 121.934, subdivision 1; 182.656, subdivision 1; and 326.33, subdivision 1; Minnesota Statutes 1983 Supplement, sections 16.911, subdivision 1; 116E.02, subdivision 1; and 299B.05, subdivision 1; repealing Minnesota Statutes 1982, section 116E.02, subdivision 2.

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

The question was taken on the passage of the bill and the roll was called. There were 127 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.
Anderson, G.
Anderson, R.
Battaglia
Beard
Begich
Bennett
Bergstrom
Bishop
Blatz
Boo
Brandl
Burger
Carlson, D.
Carlson, L.
Clark, J.
Clark, K.
Clawson
Cohen
Coleman
Dempsey
DenOuden
DimlerEken
Elioff
Ellingson
Erickson
Evans
Findlay
Fjoslien
Forsythe
Frerichs
Graba
Greenfield
Gruenes
Gustafson
Gutknecht
Halberg
Haukoos
Heap
Heinitz
Hoffman
Hokr
Jacobs
Jennings
JensenJohnson
Kahn
Kalis
Kelly
Knickerbocker
Knuth
Kostohryz
Krueger
Kvam
Larsen
Levi
Long
Ludeman
Mann
Marsh
McDonald
McEachern
McKasy
Metzen
Minne
Munger
Murphy
Nelson, D.Nelson, K.
Neuenschwander
Norton
Ogren
Olsen
Omann
Onnen
Osthoff
Otis
Pauly
Peterson
Piepho
Piper
Price
Quinn
Quist
Redalen
Reif
Riveness
Rodriguez, C.
Rodriguez, F.
Rose
St. OngeSarna
Schafer
Scheid
Schoenfeld
Schreiber
Seaberg
Segal
Shaver
Shea
Sherman
Simoneau
Skoglund
Solberg
Sparby
Staten
Sviggum
Swanson
Thiede
Tomlinson
Tunheim
Uphus
Valan
Valento

Vanasek	Waltman	Welle	Wigley	Zaffke
Vellenga	Welch	Wenzel	Wynia	Speaker Sieben
Voss	Welker			

The bill was passed and its title agreed to.

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

H. F. No. 1974, A bill for an act relating to energy; defining residence; establishing energy efficiency standards for public housing; amending Minnesota Statutes 1982, sections 116J.27, subdivisions 1 and 4; and 116J.30, 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 105 yeas and 19 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Eken	Knuth	Omann	Shaver
Anderson, G.	Elioff	Kostohryz	Onnen	Shea
Anderson, R.	Ellingson	Krueger	Osthoff	Sherman
Battaglia	Evans	Kvam	Pauly	Simoneau
Beard	Forsythe	Larsen	Peterson	Skoglund
Begich	Graba	Levi	Piepho	Solberg
Bennett	Greenfield	Long	Piper	Sparby
Bergstrom	Gruenes	Mann	Price	Staten
Bishop	Gustafson	Marsh	Quinn	Swanson
Blatz	Gutknecht	McEachern	Quist	Tomlinson
Boo	Halberg	McKasy	Reif	Tunheim
Brandl	Heap	Metzen	Rice	Valento
Burger	Heinitz	Minne	Riveness	Vanasek
Carlson, D.	Himle	Munger	Rodriguez, C.	Vellenga
Carlson, L.	Hoffman	Murphy	Rodriguez, F.	Voss
Clark, J.	Hokr	Neison, D.	St. Onge	Welch
Clark, K.	Jensen	Nelson, K.	Sarna	Welle
Clawson	Kahn	Neuenschwander	Scheid	Wenzel
Cohen	Kalis	Norton	Schoenfeld	Wigley
Coleman	Kelly	Ogren	Seaberg	Wynia
Dempsey	Knickerbocker	Olsen	Segal	Speaker Sieben

Those who voted in the negative were:

DenOuden	Fjoslien	Ludeman	Schreiber	Waltman
Dimler	Haukoos	McDonald	Sviggum	Welker
Erickson	Jennings	Redalen	Thiede	Zaffke
Findlay	Johnson	Schafer	Uphus	

The bill was passed and its title agreed to.

H. F. No. 322 was reported to the House.

Piepho moved to amend H. F. No. 322, the first engrossment, as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 415.16, is amended to read:

415.16 [EMPLOYMENT; RESIDENCE REQUIREMENT.]

Subdivision 1. Notwithstanding any contrary provision of other law, home rule charter, ordinance or resolution, no statutory or home rule charter city or county (LOCATED IN THE AREA DEFINED IN SECTION 473F.02, SUBDIVISION 2,) shall require that a person be a resident of the city or county as a condition of employment by the city or county except for positions which by their duties require the employee to live on the premises of the person's place of employment.

Subd. 2. A statutory or home rule charter city or county, except if it is located in the area defined in section 473F.02, subdivision 2, may impose a reasonable area or response time residency requirement if there is a demonstrated, job related necessity."

Delete the title and insert:

"A bill for an act relating to local government; prohibiting cities and counties from establishing residency requirements as a condition of employment; amending Minnesota Statutes 1982, section 415.16."

The motion prevailed and the amendment was adopted.

H. F. No. 322, A bill for an act relating to local government; prohibiting cities and counties from establishing residency requirements as a condition of employment; amending Minnesota Statutes 1982, section 415.16.

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

The question was taken on the passage of the bill and the roll was called. There were 113 yeas and 8 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Boo	DenOuden	Gruenes	Jennings
Anderson, G.	Burger	Eken	Gustafson	Johnson
Anderson, R.	Carlson, D.	Elioff	Gutknecht	Kahn
Battaglia	Carlson, L.	Ellingson	Halberg	Kalis
Beard	Clark, J.	Erickson	Haukoos	Knickerbocker
Begich	Clark, K.	Evans	Heinitz	Knuth
Bennett	Clawson	Findlay	Himle	Kostohryz
Bergstrom	Cohen	Fjoslien	Hoffman	Krueger
Bishop	Coleman	Forsythe	Hokr	Kvam
Blatz	Dempsey	Graba	Jacobs	Larsen

Levi	Neuenschwander	Redalen	Shea	Vanasek
Long	Norton	Reif	Sherman	Voss
Ludeman	Olsen	Riveness	Simoneau	Waltman
Mann	Omann	Rodriguez, C.	Skoglund	Welch
Marsh	Onnen	Rodriguez, F.	Solberg	Welker
McDonald	Osthoff	Rose	Sparby	Welle
McEachern	Pauly	Sarna	Sviggum	Wenzel
McKasy	Peterson	Schafer	Swanson	Wigley
Metzen	Piepho	Schoenfeld	Thiede	Wynia
Minne	Piper	Schreiber	Tomlinson	Zaffke
Murphy	Price	Seaberg	Tunheim	Speaker Sieben
Nelson, D.	Quinn	Segal	Uphus	
Nelson, K.	Quist	Shaver	Valento	

Those who voted in the negative were:

Brandl	Jensen	Ogren	Staten	Vellenga
Greenfield	Kelly	Scheid		

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

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.

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

The bill was passed and its title agreed to.

H. F. No. 1422 was reported to the House.

Simoneau moved that H. F. No. 1422 be continued on Special Orders for one day. The motion prevailed.

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.

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

The question was taken on the passage of the bill and the roll was called. There were 87 yeas and 38 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Dimler	Knuth	Osthoff	Sparby
Anderson, G.	Eken	Kostohryz	Peterson	Staten
Anderson, R.	Elioff	Larsen	Piper	Sviggum
Battaglia	Ellingson	Long	Price	Swanson
Beard	Evans	Mann	Rice	Tomlinson
Begich	Fjoslien	McEachern	Riveness	Tunheim
Bennett	Graba	Metzen	Rodriguez, C.	Vanasek
Bergstrom	Greenfield	Minne	Rodriguez, F.	Vellenga
Boo	Cruenes	Munger	St. Onge	Voss
Brandl	Gustafson	Murphy	Scheid	Welch
Carlson, D.	Halberg	Nelson, D.	Schoenfeld	Welle
Carlson, L.	Heap	Nelson, K.	Seaberg	Wenzel
Clark, J.	Hoffman	Neuenschwander	Segal	Wynia
Clark, K.	Jacobs	Norton	Shea	Zaffke
Clawson	Jensen	Ogren	Sherman	Speaker Sieben
Cohen	Kahn	Olsen	Simoneau	
Coleman	Kalis	Omann	Skoglund	
Dempsey	Knickerbocker	Onnen	Solberg	

Those who voted in the negative were:

Blatz	Haukoos	Ludeman	Redalen	Uphus
Burger	Heinitz	Marsh	Reif	Valan
DenOuden	Himle	McDonald	Rose	Valento
Erickson	Hokr	McKasy	Sarna	Waltman
Findlay	Jennings	Pauly	Schafer	Welker
Forsythe	Johnson	Piepho	Schreiber	Wigley
Frerichs	Kvam	Quinn	Shaver	
Gutknecht	Levi	Quist	Thiede	

The bill was passed and its title agreed to.

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

H. F. No. 1619 was reported to the House.

Anderson, R., moved to amend H. F. No. 1619, the first engrossment, as follows:

Page 2, line 13, after "commission" insert "or its successor"

Page 2, delete line 25

Page 2, line 26, delete "(32)" and insert "(31)"

The motion prevailed and the amendment was adopted.

H. F. No. 1619, A bill for an act relating to state government; providing for a member, 60 years of age or over, to serve 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 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.	Erickson	Krueger	Peterson	Solberg
Anderson, G.	Evans	Kvam	Piepho	Sparby
Anderson, R.	Findlay	Larsen	Piper	Staten
Battaglia	Fjoslien	Levi	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	Gustafson	McEachern	Riveness	Valan
Boo	Gutknecht	McKasy	Rodriguez, C.	Valento
Brandl	Halberg	Metzen	Rodriguez, F.	Vanasek
Burger	Haukoos	Minne	Rose	Vellenga
Carlson, D.	Heap	Munger	St. Onge	Voss
Carlson, L.	Heinitz	Murphy	Sarna	Waltman
Clark, J.	Hoffman	Nelson, D.	Schafer	Welch
Clark, K.	Hokr	Nelson, K.	Scheid	Welker
Clawson	Jennings	Neuenschwander	Schoenfeld	Welle
Cohen	Jensen	Norton	Schreiber	Wenzel
Cofeman	Johnson	Ogren	Seaberg	Wigley
Dempsey	Kahn	Olsen	Shaver	Wynia
Dimler	Kalis	Omman	Shea	Zaffke
Eken	Kelly	Onnen	Sherman	Speaker Sieben
Elioff	Knickerbocker	Osthoff	Simoneau	
Ellingson	Kostohryz	Pauly	Skoglund	

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

St. Onge was excused for the remainder of today's session.

H. F. No. 1656 was reported to the House.

Solberg moved to amend H. F. No. 1656, the first engrossment, as follows:

Page 1, line 25, delete ", requests the"

Page 2, line 1, delete "franchisor" and insert "consents" and delete "make"

The motion prevailed and the amendment was adopted.

The Speaker resumed the Chair.

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 third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 80 yeas and 29 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Elioff	Mann	Onnen	Scheid
Anderson, R.	Greenfield	Marsh	Osthoff	Schreiber
Battaglia	Gustafson	McDonald	Pauly	Shea
Beard	Gutknecht	McEachern	Peterson	Sherman
Begich	Heinitz	McKasy	Piper	Simoneau
Bennett	Hoffman	Metzen	Price	Skoglund
Bergstrom	Hokr	Minne	Quinn	Solberg
Blatz	Jensen	Munger	Quist	Sparby
Brandl	Kahn	Murphy	Redalen	Staten
Burger	Kelly	Nelson, D.	Reif	Swanson
Carlson, D.	Knickerbocker	Nelson, K.	Rice	Tomlinson
Carlson, L.	Knuth	Neuenschwander	Riveness	Vanasek
Clark, J.	Kostohryz	Norton	Rodriguez, C.	Vellenga
Clawson	Krueger	Ogren	Rodriguez, F.	Welch
Dimler	Larsen	Olsen	Rose	Welle
Eken	Levi	Omann	Sarna	Speaker Sieben

Those who voted in the negative were:

Bishop	Findlay	Heap	Piepho	Valento
Boo	Fjoslien	Jennings	Schafer	Waltman
Dempsey	Frerichs	Johnson	Shaver	Welker
DenOuden	Gruenes	Kalis	Svigum	Wenzel
Erickson	Halberg	Kvam	Thiede	Zaffke
Evans	Haukoos	Ludeman	Uphus	

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

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

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

GENERAL ORDERS

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

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

REPORTS OF STANDING COMMITTEES

Tomlinson from the Committee on Taxes to which was referred:

H. F. No. 966, A bill for an act relating to taxation; sales and use; providing a reduced tax rate for certain purchases of logging equipment; amending Minnesota Statutes 1982, sections 297A.01, by adding a subdivision; 297A.02, subdivision 2, as amended; and 297A.14, as amended.

Reported the same back with the following amendments:

Page 1, line 11, delete "*or used*"

Page 1, line 15, delete "*includes*" and insert "*excludes used equipment and the*"

Page 1, line 23 to page 2, line 33, delete sections 2 and 3 and insert:

"Sec. 2. Minnesota Statutes 1983 Supplement, section 297A.02, subdivision 2, is amended to read:

Subd. 2. [FARM MACHINERY.] Notwithstanding the provisions of subdivision 1, the rate of the excise tax imposed upon sales of farm machinery *and commercial logging equipment* shall be four percent.

Sec. 3. 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 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 rate of the use tax imposed upon the sales price of sales of farm machinery or commercial logging equipment shall be 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."

Page 2, line 36, delete "1983" and insert "1984"

Amend the title as follows:

Page 1, line 4, delete "sections" and insert "section"

Page 1, line 5, after the semicolon insert "Minnesota Statutes 1983 Supplement, sections"

Page 1, delete line 6, and insert "2; and 297A.14."

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. 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.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. 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) 23rd 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.

For purposes of this subdivision, a return is filed on time if the return was mailed to the commissioner of revenue on or before the due date. The person required to make the return has the burden of establishing that the return was timely mailed by United States mail in an envelope, postage prepaid, and properly addressed.

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective for sales and use tax returns due after August 1, 1984."

Amend the title as follows:

Page 1, line 4, delete "1982" and insert "1983 Supplement"

Page 1, line 5, delete ", as amended"

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. 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 6, line 14, delete "two" and insert "four"

Page 7, line 18, delete everything after the period

Page 7, delete lines 19 and 20

Page 22, line 11, after the period insert "*County attorneys have primary responsibility for prosecuting violations of sections 349.11 to 349.214, but the attorney general may prosecute any violation of those sections.*"

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. 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.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 161.242, subdivision 3, is amended to read:

Subd. 3. [UNAUTHORIZED JUNK YARDS PROHIBITED.] ((1) NO) (a) A junk yard may *not* exist or be operated outside a zoned or unzoned industrial area, including those located on public lands (AND RESERVATIONS OF THE UNITED STATES), unless it (BE) *is* screened (SO AS) to effectively conceal it from the view of motorists using the highway. The screening required by this section may be effected by trees, shrubs, or foliage, natural objects, fences or other appropriate means as determined by standards established by the commissioner. Plantings (WHICH) *that* will eventually achieve effective screening shall be acceptable. Plantings shall be used in connection with any fence or other non-natural screening device.

((2) ANY SUCH) (b) A *portion of a* junk yard (OR PORTION THEREOF WHICH) *that* cannot be effectively (BE) screened (SHALL) *must* be removed or relocated (PURSUANT TO) *under* the provisions of this section (ON OR BEFORE JULY 1, 1979). (ANY SUCH) A junk yard lawfully existing (ON) *along* a highway (WHICH) *that* is made a part of the trunk highway system after January 1, 1975, and becomes nonconforming thereby shall be effectively screened or removed or relocated within four years (THEREAFTER). Any junk yard (WHICH) *that* comes into existence after July 1, 1971 (WHICH) *that* does not conform to this section, or (WHICH) *that* becomes

nonconforming after July 1, 1971, or (WHICH) *that* becomes nonconforming after action by the commissioner pursuant to this section, is hereby declared to be a public nuisance and illegal, and the commissioner may enter upon the land where the junk yard is located and may screen the same, or may relocate or dispose of the junk yard after 90 days notice to the owner or dealer thereof, if known, or to the owner of the land. In this event, no compensation shall be paid to the owner or dealer or owner of the land, and the commissioner may (COLLECT) *recover* the cost of screening, removal, relocation or disposal from the owner or dealer, if known, or from the owner of the land upon which the junk yard is located. *Any costs recovered by the commissioner shall be deposited in the general fund and credited to the salvage yard account.*

((3)) (c) None of the articles commonly found in junk yards shall be allowed to remain on the grounds for more than 24 hours unless within the buildings or the properly screened area as provided herein, nor shall any junk in any junk yard be allowed to extend above existing or planned screening so as to be visible from the highway.

Sec. 2. Minnesota Statutes 1982, section 161.242, subdivision 4, is amended to read:

Subd. 4. [AUTHORITY; ENFORCEMENT.] The commissioner shall screen junk yards when required by this section at locations on the right-of-way of the highway or on lands within 1,000 feet of the right-of-way and shall pay for the costs thereof. If screening is not feasible because of economic or topographic reasons, the commissioner shall secure the removal, relocation or disposal of such junk yard by sale, agreement, or other means, and pay for the costs thereof. Notwithstanding the other provisions of this section, if a junk yard exists within one-half mile of the right-of-way of any trunk highway and is visible from the highway, the commissioner may acquire easements for screening purposes up to one-half mile from the edge of the right-of-way of the highway. The commissioner shall acquire such rights and interest in property, personal or real, necessary to carry out the purposes of this section by purchase, gift, or eminent domain proceedings and shall pay just compensation therefor. (THE COMMISSIONER SHALL NOT EXPEND ANY MONEY TO ACQUIRE RIGHTS OR INTERESTS IN JUNK YARDS UNDER THIS SECTION, EXCEPT THOSE FOR WHICH ACQUISITION PROCEEDINGS WERE BEGUN BEFORE JUNE 8, 1979 OR FOR WHICH FEDERAL MONEY HAS BEEN APPROPRIATED BY CONGRESS FOR JUNK YARDS DESCRIBED IN TITLE 23, UNITED STATES CODE, SECTION 136(J) AND THE FEDERAL SHARE HAS BEEN MADE AVAILABLE TO THE COMMISSIONER. ALL COSTS DESCRIBED HEREIN SHALL BE NECESSARY FOR A HIGHWAY PURPOSE.)

Sec. 3. [161.243] [TRANSFER TAX.]

Subdivision 1. [TAX IMPOSED.] A tax of \$1 is imposed on the initial sale and each subsequent transfer of title within the state, other than transfers for resale purposes, of every motor vehicle weighing more than 1,000 pounds. The tax shall be collected by the motor vehicle registrar. Registration plates or certificates may not be issued by the motor vehicle registrar for the ownership or operation of a motor vehicle subject to the transfer tax unless the tax is paid. The tax is not imposed on the transfer of:

(1) a previously registered vehicle if the transfer is to the same person;

(2) vehicles subject to the conditions specified in section 297A.25, subdivision 1, clause (j);

(3) common carrier vehicles engaged in interstate commerce, licensed and operating under interstate commerce commission requirements; and

(4) vehicles purchased in another state by a resident of another state if the purchaser is transferring title to this state and has become a resident of this state after the purchase and more than 60 days have elapsed after the date of purchase.

Subd. 2. [TAX PROCEEDS; APPROPRIATION.] The tax collected shall be deposited in the general fund of the state treasury and credited to the salvage yard account. The legislature may annually appropriate from the salvage yard account to the commissioner of transportation the amount necessary to pay the costs incurred under section 161.242, subdivisions 3 and 4.

Subd. 3. [TAX REPEALED.] This section is repealed July 1, 1988.

Sec. 4. [EFFECTIVE DATE.]

Section 3 is effective for transfers of motor vehicles after July 31, 1984."

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. 1966, 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.

Reported the same back with the following amendments:

Delete everything after the enacting clause 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 COURTS; 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."

Sec. 2. 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. 3. 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. 4. 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. 5. 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 information 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 section 144.695 to 144.703.

Sec. 6. 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. 7. 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. 8. 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. 9. [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. 10. [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. 11. Minnesota Statutes 1982, section 246.50, subdivision 6, is amended to read:

Subd. 6. "Relatives" means the spouse, and parents (AND, IN THE CASE OF THE MENTALLY ILL OR CHEMICALLY DEPENDENT, CHILDREN) of a patient, in that order of liability for cost of care.

Sec. 12. [ACTIONS DISCONTINUED.]

The commissioner of public welfare shall discontinue all collection activities currently pending against persons who have been determined to be

(1) responsible relatives because they are children of current or former state hospital patients; and

(2) liable for relative contributions under sections 246.50 to 246.55.

Sec. 13. 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. 14. 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. 15. 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. 16. 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. 17. 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. 18. 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. 19. Minnesota Statutes 1983 Supplement, section 256.-969, 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. The commissioner shall incorporate the grouping of hospitals with similar characteristics for uniform rates upon the development and implementation of the diagnostic classification system. Medical assistance and general assistance medical care reimbursement for treatment of mental illness shall be reimbursed based upon diagnosis classifications.

Sec. 20. 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. 21. 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. 22. 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 calculated 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 re-application 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. 23. 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 ineligible for continued eligibility as defined in section 256B.062.*

Sec. 24. Minnesota Statutes 1982, section 256B.35, subdivision 1, is amended to read:

Subdivision 1. Notwithstanding any law to the contrary, welfare allowances for clothing and personal needs for individuals receiving medical assistance while residing in any skilled nursing home or intermediate care facility, including recipients of supplemental security income, in this state shall not be less than (\$35) \$40 per month from all sources.

Provided that this personal needs allowance may be paid as part of the Minnesota supplemental aid program, notwithstanding the provisions of section 256D.37, subdivision 2, and payments to the recipients from Minnesota supplemental aid funds may be made once each three months beginning in October, 1977 covering liabilities that accrued during the preceding three months.

Sec. 25. Minnesota Statutes 1983 Supplement, section 256D.03, subdivision 4, is amended to read:

Subd. 4. [GENERAL ASSISTANCE MEDICAL CARE; SERVICES.] (a) Reimbursement under the general assistance medical care program shall be limited to the following categories of service: inpatient hospital care, outpatient hospital care, services provided by medicare certified rehabilitation agencies, prescription drugs, eyeglasses and eye examinations provided by a physician or optometrist, *hearing aids, prosthetic devices, laboratory and x-ray services*, physician's services, medical transportation, and dental care. In addition, payments of state aid shall be made for day treatment services provided by a mental health center established under sections 245.61 to 245.69, subdivision 1, and funded through chapter 256E and for prescribed medications for persons who have been diagnosed as mentally ill as necessary to prevent more restrictive institutionalization.

(b) In order to contain costs, the county board shall, with the approval of the commissioner of public welfare, select vendors of medical care who can provide the most economical care consistent with high medical standards and may contract with organizations on a prepaid capitation basis to provide these services. The commissioner shall encourage county boards to submit proposals for demonstration projects designed to provide services in an economical manner or to control utilization, with safeguards to ensure that necessary services are provided. Payment for services provided pursuant to this subdivision shall be as provided to medical assistance vendors of these services under section 256B.02, subdivision 8, except that where counties enter into prepaid capitation agreements, payments shall be as provided in section 256.966, subdivision 2.

(c) The commissioner of public welfare may reduce payments provided under sections 256D.01 to 256D.21 and 261.23

in order to remain within the amount appropriated for general assistance medical care, within the following restrictions. For the period July 1, 1983 to June 30, 1984, reductions below the cost per service unit allowable under section 256.966, are permitted only as follows: payments for inpatient and outpatient hospital care provided in response to a primary diagnosis of chemical dependency or mental illness may be reduced no more than 45 percent; payments for all other inpatient hospital care may be reduced no more than 35 percent. Reductions below the payments allowable under section 256.967 for the remaining general assistance medical care services allowable under this subdivision may be reduced no more than 25 percent. For the period July 1, 1984 to June 30, 1985, reductions below the cost per service unit allowable under section 256.966 are permitted only as follows: payments for inpatient and outpatient hospital care provided in response to a primary diagnosis of chemical dependency or mental illness may be reduced no more than 30 percent; payments for all other inpatient hospital care may be reduced no more than 20 percent. Reductions below the payments allowable under section 256.967 for the remaining general assistance medical care services allowable under this subdivision may be reduced no more than ten percent. There shall be no copayment required of any recipient of benefits for any services provided under this subdivision. *A hospital that receives a reduced payment as a result of this section may apply the unpaid balance toward bad debts.*

(d) Any county may, from its own resources, provide medical payments for which state payments are not made.

Sec. 26. Minnesota Statutes 1982, section 256D.06, is amended by adding a subdivision to read:

Subd. 6. If any amount of general assistance is paid to a recipient in excess of the payment due, it shall be recoverable by the local agency. The agency shall give written notice to the recipient of its intention to recover the overpayment. Overpayments to a current assistance unit shall be recovered either through repayment by the individual in part or in full, or reduction of the amount of aid payable to the assistance unit of which the individual is a member. 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. In cases where there is both an overpayment and an underpayment, the local agency shall offset one against the other in correcting the payment. The recipient may appeal the agency's determination that an overpayment has occurred in accordance with section

256.045. The county agency shall promptly repay the recipient for any underpayment and shall disregard that payment when determining the assistance unit's income and resources in the month when the payment is made and the following month.

Sec. 27. [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.

Sec. 28. Minnesota Statutes 1982, section 261.035, is amended to read:

When a person dies in any county (, NOT LEAVING) without apparent means to provide for his own burial and without relatives of sufficient ability to procure the burial, the county board shall first investigate to determine whether the person who has died has contracted for any prepaid burial arrangements. If such arrangements have been made, the county shall authorize burial in accord with the written instructions of the deceased. If it is determined that the person did not leave sufficient means to defray the necessary expenses of his burial, nor any relatives therein of sufficient ability to procure his burial, the county board shall cause a decent burial of his remains to be made at the expense of the county.

Sec. 29. [518.147] [STATISTICAL REPORT FORM.]

On or before the time a final decree of dissolution or annulment of marriage is entered, the petitioner or the moving party, if other than the petitioner, shall complete and file with the clerk of court a statistical report form provided by the commissioner of health. After entry of the final decree, the clerk shall forward the form to the commissioner of health pursuant to section 144-224. 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.

Sec. 30. [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. 31. [REPEALER.]

Minnesota Statutes 1982, sections 144.7021, 144.704, and 144.705 are repealed.

Sec. 32. [APPROPRIATIONS.]

Subdivision 1. There is appropriated to the commissioner of public welfare from the general fund for the purposes of sections 24 and 30, \$1,026,000, for the fiscal year ending June 30, 1985. This appropriation is added to the appropriation for medical assistance in Laws 1983, chapter 312, article 1, section 2, subdivisions 1 and 5.

Subd. 2. There is appropriated to the commissioner of public welfare from the general fund for the purposes of section 25, \$70,000 for the fiscal year ending June 30, 1985. This appropriation is to be added to the appropriation for general assistance medical care in Laws 1983, chapter 312, article 1, section 2, subdivisions 1 and 5.

Subd. 3. The appropriation in Laws 1983, chapter 312, article 2, section 2, subdivisions 1 and 5, for general assistance is reduced by \$9,000 pursuant to sections 26 and 27.

Subd. 4. There is appropriated from the general fund to the commissioner of health, \$10,000 for the biennium ending June 30, 1985, for the purpose of processing the data received pursuant to sections 1 and 29.

Sec. 33. [EFFECTIVE DATE.]

Sections 13 to 21, 23, 25, 26, 27, and 30 are effective July 1, 1984. Section 22 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. Sections 11 and 12 of this act are effective the day after final enactment and apply to all claims which have not yet been reduced to judgment. Section 24 is effective January 1, 1985."

Delete the title and insert:

"A bill for an act relating to public welfare; providing for the collection of statistical data by the department of health on dissolutions and annulments; providing for collection of health care cost information; limiting relative responsibility for state hospital costs; 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 relating to asset transfers; increasing the personal needs allowance; allowing reimbursement for additional services under general assistance medical care; providing for recoupment of overpayments in the general assistance and supplemental aid programs; requiring county investigations; requiring a cost-of-living adjustment to the schedule of contribution of a noninstitutionalized spouse; appropriating money; amending Minnesota Statutes 1982, sections 144.224; 144.695; 144.696; 144.698; 144.699; 144.701; 144.702; 144.703; 246.50, subdivision 6; 256.045, subdivisions 2, 4, 5, and 7; 256B.17, as amended; 256B.19, subdivision 1; 256B.35, subdivision 1; 256D.06, by adding a subdivision; 261.035; Minnesota Statutes 1983 Supplement, sections 256.045, subdivision 3; 256.968; 256.969, subdivisions 2 and 6; and 256B.06, subdivision 1; 256D.03, subdivision 4; proposing new law coded in Minnesota Statutes, chapters 256D and 518; repealing Minnesota Statutes 1982, sections 144.7021; 144.704; and 144.705."

With the recommendation that when so amended the bill pass.

The report was adopted.

Tomlinson from the Committee on Taxes to which was referred:

S. F. No. 746, A bill for an act relating to counties; permitting counties to issue notes to finance purchase of necessary capital equipment; amending Minnesota Statutes 1982, section 373.01, by adding a subdivision.

Reported the same back with the following amendments:

Page 1, line 18, after the period insert "*For purposes of this subdivision, "capital equipment" means public safety, ambulance, road construction or maintenance, medical, and data processing equipment.*"

With the recommendation that when so amended the bill pass.

The report was adopted.

Tomlinson from the Committee on Taxes to which was referred:

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.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 272.02, subdivision 5, is amended to read:

Subd. 5. The holding of property by a political subdivision of the state for later resale for economic development purposes shall be considered a public purpose in accordance with subdivision 1, clause (7) for a period not to exceed (THREE) ten years. *The holding of property by a political subdivision of the state for later resale (1) which is purchased or held for housing purposes, or (2) which meets the conditions described in section 273.73, subdivision 10, shall be considered a public purpose in accordance with subdivision 1, clause (7). The governing body of the political subdivision which acquires property which is subject to this subdivision shall after the purchase of the property certify to the city or county assessor whether the property is held for economic development purposes or housing purposes, or whether it meets the conditions of section 273.73, subdivision 10. If the property is acquired for economic development purposes and buildings or other improvements are constructed after acquisition of the*

property, and if more than one-half of the floor space of the buildings or improvements which is available for lease to or use by a private individual, corporation, or other entity is leased to or otherwise used by a private individual, corporation, or other entity the provisions of this subdivision shall not apply to the property. This subdivision shall not operate to create an exemption from sections 272.01, subdivision 2; 272.68; 273.19; or 462.575, subdivision 3; or other provision of law providing for the taxation of or for payments in lieu of taxes for publicly held property which is leased, loaned, or otherwise made available and used by a private person. (THIS SECTION IS EFFECTIVE FOR TAXES LEVIED IN 1979 AND THEREAFTER, AND PAYABLE IN 1980 AND THEREAFTER.)

Sec. 2. [EXEMPTION.]

Notwithstanding the provisions of Minnesota Statutes, section 473.556, subdivision 6, or any other law, real property conveyed to the port authority of the city of Bloomington by the metropolitan sports facilities commission shall be exempt from taxation as provided in Minnesota Statutes, sections 473.556, subdivision 4; and 459.192, subdivision 2.

Sec. 3. [EFFECTIVE DATE.]

Section 1 is effective for taxes levied in 1979 and thereafter and for taxes payable in 1980 and thereafter. Section 2 is effective upon compliance by the governing body of the city of Bloomington with Minnesota Statutes, section 645.021, subdivision 3."

Delete the title and insert:

"A bill for an act relating to taxation; property; modifying the exemption for property held by political subdivisions; providing an exemption on certain lands conveyed to the city of Bloomington by the metropolitan sports facilities commission; amending Minnesota Statutes 1982, section 272.02, subdivision 5."

With the recommendation that when so amended the bill pass.

The report was adopted.

SECOND READING OF HOUSE BILLS

H. F. Nos. 966, 1453, 1707, 1796 and 1966 were read for the second time.

SECOND READING OF SENATE BILLS

S. F. Nos. 746 and 1511 were read for the second time.

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce that the Senate has discharged its Conference Committee on House File No. 1149, and has appointed a new Conference Committee on the part of the Senate.

H. F. No. 1149, A bill for an act relating to liens; right of possession and liens on fabrication molds and patterns; providing a nonpossessory lien on personal property; lengthening the time limit for veterinary liens; amending Minnesota Statutes 1982, sections 514.18; 514.19; and 514.92, subdivision 1.

The Senate has appointed as such committee Mr. Peterson, R. W.; Mrs. Lantry and Mr. Storm.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 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 subdivisions; 465.721; 471.61, subdivisions 1 and 2a; Minnesota Statutes 1983 Supplement, sections 120.17, subdivi-

sion 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; 124.212; 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 Senate has appointed as such committee Messrs. Nelson; Pehler; Peterson, R. W. ; Merriam and Peterson, D. L.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendment to:

S. F. No. 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.

And the Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee Ms. Peterson, D. C.; Messrs. Petty and Belanger.

Said Senate File is herewith transmitted to the House with the request that the House appoint a like committee.

PATRICK E. FLAHAVEN, Secretary of the Senate

Riveness moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 3 members of the House to meet with a like committee ap-

pointed by the Senate on the disagreeing votes of the two houses on S. F. No. 1810. The motion prevailed.

Mr. Speaker:

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

H. F. No. 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.

PATRICK E. FLAHAVEN, Secretary of the Senate

Battaglia moved that the House refuse to concur in the Senate amendments to H. F. No. 2314, that the Speaker appoint a Conference Committee of 5 members of the House, and that 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. 2168.

PATRICK E. FLAHAVEN, Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 2168, A bill for an act relating to transportation; highways; requiring certain loads of firewood to be securely covered or fastened; amending Minnesota Statutes 1982, section 169.81, subdivision 5.

The bill was read for the first time.

Wenzel moved that S. F. No. 2168 and H. F. No. 2172, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

MOTIONS AND RESOLUTIONS

Rice moved that the name of Metzen be added as an author on H. F. No. 1903. The motion prevailed.

Kalis moved that the name of Schoenfeld be added as an author on H. F. No. 2051. The motion prevailed.

Erickson moved that H. F. No. 1889 be returned to its author. The motion prevailed.

Cohen moved that H. F. No. 2251 be returned to its author. The motion prevailed.

ANNOUNCEMENTS BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1814:

Osthoff, Scheid and Kelly.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 1810:

Riveness, Quinn and Knickerbocker.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 2314:

Battaglia; Carlson, L.; Welch; Kalis and Carlson, D.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 2016:

Tomlinson, Kelly, Eken, Redalen and Sieben.

ADJOURNMENT

Eken moved that when the House adjourns today it adjourn until 10:00 a.m., Monday, April 16, 1984. The motion prevailed.

Eken moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 10:00 a.m., Monday, April 16, 1984.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

The first of these is the fact that the
 Government has a large surplus of
 money. This surplus is the result of
 the Government's policy of
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STATE OF MINNESOTA

SEVENTY-THIRD SESSION - 1984

SEVENTY-EIGHTH DAY

SAINT PAUL, MINNESOTA, SATURDAY, APRIL 14, 1984

The Senate met on Saturday, April 14, 1984, which was the Seventy-eighth Legislative Day of the Seventy-third Session of the Minnesota State Legislature. The House of Representatives did not meet on this day.

REPORT OF THE COMMISSIONERS OF THE LAND OFFICE

FOR THE YEAR 1901

ALBANY: JAMES B. WADSWORTH, PRINTING OFFICE, 189-191 N. ALBANY ST., 1902.

ALBANY, N. Y., JANUARY 1, 1902.

STATE OF MINNESOTA

SEVENTY-THIRD SESSION - 1984

SEVENTY-NINTH DAY

SAINT PAUL, MINNESOTA, MONDAY, APRIL 16, 1984

The House of Representatives convened at 10:00 a.m. and was called to order by Harry A. Sieben, Jr., Speaker of the House.

Prayer was offered by Rabbi Stephen H. Pinsky, Temple Israel, Minneapolis, Minnesota.

The roll was called and the following members were present:

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

A quorum was present.

Hoberg was excused.

Bishop, Schoenfeld and Shaver were excused until 10:45 a.m.
Burger was excused until 1:30 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. 1069, 1303, 1711, 2021, 2134, 2189, 49, 100, 361, 688, 820, 1237, 1264, 1315, 1373, 1376, 1402, 1577, 1588, 1678, 1680, 1689, 1806, 1837, 1842, 1857, 1900, 1920, 1964, 2006, 2039, 2051, 2148, 2183, 2188, 322, 1427, 1769, 1796 1853, 2157, 966, 1453, 1619, 1656, 1707, 1875 and 1966 and S. F. Nos. 1452, 1330, 1258, 1849, 1891, 1986, 1762, 2168, 1760, 1562, 1526, 746 and 1511 have been placed in the members' files.

S. F. No. 1473 and H. F. No. 1902, 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. 1473 be substituted for H. F. No. 1902 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1905 and H. F. No. 2198, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Nelson, D., moved that the rules be so far suspended that S. F. No. 1905 be substituted for H. F. No. 2198 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1330 and H. F. No. 1837, 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. 1330 be substituted for H. F. No. 1837 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1986 and H. F. No. 2160, 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. 1986 be substituted for H. F. No. 2160 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1452 and H. F. No. 1964, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Ellingson moved that S. F. No. 1452 be substituted for H. F. No. 1964 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2168 and H. F. No. 2172, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Wenzel moved that S. F. No. 2168 be substituted for H. F. No. 2172 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1351 and H. F. No. 1884, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Graba moved that S. F. No. 1351 be substituted for H. F. No. 1884 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1974 and H. F. No. 2151, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Norton moved that S. F. No. 1974 be substituted for H. F. No. 2151 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1762 and H. F. No. 1602, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Clark, K., moved that the rules be so far suspended that S. F. No. 1762 be substituted for H. F. No. 1602 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1258 and H. F. No. 1292, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Clark, K., moved that the rules be so far suspended that S. F. No. 1258 be substituted for H. F. No. 1292 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1642 and H. F. No. 1638, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Peterson moved that the rules be so far suspended that S. F. No. 1642 be substituted for H. F. No. 1638 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1849 and H. F. No. 2245, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Vanasek moved that the rules be so far suspended that S. F. No. 1849 be substituted for H. F. No. 2245 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1891 and H. F. No. 1987, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Vanasek moved that the rules be so far suspended that S. F. No. 1891 be substituted for H. F. No. 1987 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1628 and H. F. No. 1967, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Vanasek moved that the rules be so far suspended that S. F. No. 1628 be substituted for H. F. No. 1967 and that the House File be indefinitely postponed. The motion prevailed.

SECOND READING OF SENATE BILLS

S. F. Nos. 1473, 1905, 1330, 1986, 1452, 2168, 1351, 1974, 1762, 1258, 1642, 1849, 1891 and 1628 were read for the second time.

HOUSE ADVISORIES

The following House Advisory was introduced:

Gutknecht, Neuenschwander, Schoenfeld, Larsen and Hokr introduced:

H. A. No. 62, A proposal to study propriety of sports franchises excluding areas from viewing telecasts of games.

The advisory was referred to the Committee on Regulated Industries.

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. 1010, A bill for an act relating to the city of Thief River Falls; changing restrictions on filing and recording certain conveyances.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 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 Senate has appointed as such committee Messrs. Belanger, Merriam and Moe, D. M.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 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 Senate has appointed as such committee Mr. Pogemiller, Ms. Olson and Mr. Samuelson.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 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 water-

shed 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 Senate has appointed as such committee Messrs. Johnson, D. J., and Peterson, C. C.; Ms. Berglin; Messrs. Novak and Bernhagen.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 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 Senate has appointed as such committee Messrs. Waldorf, Dicklich, Langseth, Purfeerst and Taylor.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 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 Senate has appointed as such committee Messrs. Johnson, D. J.; Vega and Berg.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

H. F. No. 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.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Anderson, B., moved that the House concur in the Senate amendments to H. F. No. 2047 and that the bill be repassed as amended by the Senate. The motion prevailed.

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; designating a bridge as the Veterans Memorial Bridge; amending Minnesota Statutes 1982, sections 161.14, by adding a subdivision; 174.50, subdivision 7; and Minnesota Statutes 1983 Supplement, section 161.082, subdivision 2a.

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

The question was taken on the repassage of the bill and the roll was called. There were 112 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Evans	Krueger	Otis	Sparby
Anderson, C.	Findlay	Kvam	Pauly	Stadum
Battaglia	Fjoslien	Larsen	Peterson	Sviggum
Beard	Frerichs	Levi	Piepho	Swanson
Begich	Greenfield	Long	Piper	Thiede
Bennett	Gruenes	Ludeman	Price	Tunheim
Bergstrom	Gustafson	Mann	Quinn	Uphus
Blatz	Gutknecht	Marsh	Quist	Valan
Boo	Halberg	McDonald	Riveness	Valento
Brandt	Heap	McEachern	Rodosovich	Vanasek
Brinkman	Heinitz	McKasy	Rodriguez, C.	Vellgena
Carlson, D.	Himle	Metzen	Rodriguez, F.	Waltman
Carlson, L.	Hoffman	Minne	Rose	Welch
Clark, J.	Hokr	Munger	St. Onge	Welker
Clark, K.	Jacobs	Murphy	Schafer	Welle
Cohen	Jennings	Nelson, D.	Scheid	Wenzel
Coleman	Jensen	Neuenschwander	Schreiber	Wigley
Dempsey	Johnson	Norton	Segal	Wynia
DenOuden	Kahn	Ogren	Shea	Zaffke
Dimler	Kelly	Olsen	Sherman	Speaker Sieben
Eken	Knickerbocker	Omamm	Simoneau	
Elioff	Knuth	Onnen	Skoglund	
Ellingson	Kostohryz	Osthoff	Solberg	

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. 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; 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, 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.

PATRICK E. FLAHAVEN, Secretary of the Senate

Vanasek moved that the House refuse to concur in the Senate amendments to H. F. No. 2317, that the Speaker appoint a Conference Committee of 5 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

Mr. Speaker:

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

H. F. No. 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.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Segal moved that the House concur in the Senate amendments to H. F. No. 1819 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1819, A bill for an act relating to 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, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 103 yeas and 12 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Ellingson	Kostohryz	Onnen	Simoneau
Anderson, G.	Evans	Krueger	Osthoff	Skoglund
Anderson, R.	Findlay	Kvam	Otis	Solberg
Battaglia	Frerichs	Larsen	Pauly	Sparby
Beard	Greenfield	Levi	Peterson	Staten
Begich	Gruenes	Long	Piepho	Sviggum
Bennett	Gustafson	Mann	Piper	Swanson
Bergstrom	Gutknecht	Marsh	Price	Tomlinson
Blatz	Heap	McDonald	Quinn	Tunheim
Boo	Heinitz	McEachern	Riveness	Uphus
Brandl	Himle	McKasy	Rodosovich	Valan
Brinkman	Hoffman	Metzen	Rodriguez, C.	Valento
Carlson, D.	Hokr	Minne	Rodriguez, F.	Vanasek
Carlson, L.	Jacobs	Munger	Rose	Vellenga
Clark, K.	Jensen	Murphy	St. Onge	Waltman
Clawson	Johnson	Nelson, D.	Sarna	Welch
Cohen	Kahn	Nelson, K.	Scheid	Welle
Coleman	Kalis	Neuenschwander	Schreiber	Wenzel
Dempsey	Kelly	Norton	Segal	Speaker Sieben
Eken	Knickerbocker	Ogren	Shea	
Elioff	Knuth	Olsen	Sherman	

Those who voted in the negative were:

DenOuden	Halberg	Quist	Thiede	Wigley
Dimler	Jennings	Schafer	Welker	Zaffke
Fjoslien	Ludeman			

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

Mr. Speaker:

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

H. F. No. 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.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Coleman moved that the House concur in the Senate amendments to H. F. No. 1781 and that the bill be repassed as amended by the Senate. The motion prevailed.

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, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 118 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Cohen	Gutknecht	Knickerbocker	Minne
Anderson, G.	Coleman	Halberg	Knuth	Munger
Anderson, R.	Dempsey	Haukoos	Kostohryz	Murphy
Battaglia	DenOuden	Heap	Krueger	Nelson, D.
Beard	Dimler	Heinitz	Kvam	Nelson, K.
Begich	Eken	Himle	Larsen	Neenschwander
Bennett	Elioff	Hoffman	Levi	Norton
Bergstrom	Ellingson	Hokr	Long	O'Connor
Blatz	Erickson	Jacobs	Ludeman	Ogren
Boo	Evans	Jennings	Mann	Olsen
Brandl	Findlay	Jensen	Marsh	Omann
Brinkman	Fjoslien	Johnson	McDonald	Onnen
Carlson, D.	Frerichs	Kahn	McEachern	Osthoff
Carlson, L.	Greenfield	Kalis	McKasy	Otis
Clark, K.	Gruenes	Kelly	Metzen	Pauly

Peterson	Rodriguez, F.	Sherman	Tomlinson	Welker
Piepho	Rose	Simoneau	Tunheim	Welle
Piper	St. Onge	Skoglund	Uphus	Wenzel
Price	Sarna	Solberg	Valan	Wigley
Quinn	Schafer	Sparby	Valento	Wynia
Quist	Scheid	Stadum	Vanasek	Zaffke
Riveness	Schreiber	Sviggum	Vellenga	Speaker Sieben
Rodosovich	Segal	Swanson	Waltman	
Rodriguez, C.	Shea	Thiede	Welch	

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

Mr. Speaker:

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

H. F. No. 2150, A bill for an act relating to newspapers; making certain publications legal newspapers; proposing new law coded in Minnesota Statutes, chapter 331.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Waltman moved that the House concur in the Senate amendments to H. F. No. 2150 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 2150, A bill for an act relating to legal newspapers; allowing temporary suspension of publication due to financial difficulties; amending Minnesota Statutes 1982, section 331.02, subdivision 3.

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

The question was taken on the repassage of the bill the roll was called. There were 122 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Brandl	Dempsey	Fjoslien	Haukoos
Anderson, G.	Brinkman	DenOuden	Forsythe	Heap
Anderson, R.	Carlson, D.	Dimler	Frerichs	Heinitz
Battaglia	Carlson, L.	Eken	Graba	Himle
Beard	Clark, J.	Elioff	Greenfield	Hokr
Begich	Clark, K.	Ellingson	Cruenes	Jacobs
Bennett	Clawson	Erickson	Gustafson	Jennings
Blatz	Cohen	Evans	Gutknecht	Jensen
Boo	Coleman	Findlay	Halberg	Johnson

Kahn	McKasy	Pauly	Schreiber	Valan
Kalis	Metzen	Peterson	Seaberg	Valento
Kelly	Minne	Piepho	Segal	Vanasek
Knickerbocker	Munger	Piper	Shea	Vellenga
Knuth	Murphy	Price	Sherman	Waltman
Kostohryz	Nelson, D.	Quinn	Simoneau	Welch
Krueger	Nelson, K.	Quist	Skoglund	Welker
Kvam	Neuenschwander	Riveness	Solberg	Welle
Larsen	Norton	Rodosovich	Sparby	Wenzel
Levi	O'Connor	Rodriguez, C.	Stadum	Wigley
Long	Ogren	Rodriguez, F.	Staten	Wynia
Ludeman	Olsen	Rose	Sviggum	Zaffke
Mann	Omamn	St. Onge	Swanson	Speaker Sieben
Marsh	Onnen	Sarna	Thiede	
McDonald	Osthoff	Schafer	Tunheim	
McEachern	Otis	Scheid	Uphus	

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. 1445, A bill for an act relating to crimes; defining aggravated criminal damage to property; amending Minnesota Statutes 1982, section 609.595, subdivision 1.

PATRICK E. FLAHAVERN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Seaberg moved that the House concur in the Senate amendments to H. F. No. 1445 and that the bill be repassed as amended by the Senate. The motion prevailed.

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, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 123 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Beard	Blatz	Carlson, D.	Clawson
Anderson, G.	Begich	Boo	Carlson, L.	Cohen
Anderson, R.	Bennett	Brandl	Clark, J.	Coleman
Battaglia	Bergstrom	Brinkman	Clark, K.	Dempsey

DenOuden	Hokr	McKasy	Quinn	Sviggum
Dimler	Jacobs	Metzen	Quist	Swanson
Elioff	Jennings	Miune	Riveness	Thiede
Ellingson	Jensen	Munger	Rodosovich	Tomlinson
Erickson	Johnson	Murphy	Rodriguez, C.	Tunheim
Evans	Kahn	Nelson, D.	Rodriguez, F.	Uphus
Findlay	Kalis	Nelson, K.	St. Onge	Valan
Fjoslien	Kelly	Neuenschwander	Sarna	Valento
Forsythe	Knickerbocker	Norton	Schafer	Vanasek
Frerichs	Knuth	O'Connor	Scheid	Vellenga
Graba	Kostohryz	Ogren	Schreiber	Waltman
Greenfield	Krueger	Olsen	Seaberg	Welch
Gruenes	Kvam	Omann	Segal	Welker
Gustafson	Larsen	Onnen	Shea	Welle
Gutknecht	Levi	Osthoff	Sherman	Wenzel
Halberg	Long	Otis	Simoneau	Wigley
Haukoos	Ludeman	Pauly	Skoglund	Wymia
Heap	Mann	Peterson	Solberg	Zaifke
Heinitz	Marsh	Piepho	Sparby	Speaker Sieben
Himle	McDonald	Piper	Stadum	
Hoffman	McEachern	Price	Staten	

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

Mr. Speaker:

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

S. F. Nos. 1023, 1862, 1883, 1914, 1976 and 2009.

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. 992, 1548, 1575 and 1864.

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. 396 and 1403.

PATRICK E. FLAHAVEN, Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 1023, A bill for an act relating to probate; adopting provisions of the uniform probate code and clarifying laws relating to intestate succession, spouse's elective share, and omitted

spouses and children; proposing new law coded in Minnesota Statutes, chapter 524; repealing Minnesota Statutes 1982, sections 525.16; 525.17; 525.171; 525.20; 525.201; 525.202; 525.212 to 525.216; Minnesota Statutes 1983 Supplement, sections 525.172; and 525.173.

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

S. F. No. 1862, 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, and by adding a subdivision; 72A.23, subdivision 1; and 72A.25, subdivision 2.

The bill was read for the first time.

Vanasek moved that S. F. No. 1862 and H. F. No. 1896, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1883, A bill for an act relating to occupations and professions; prohibiting evidence of the previous sexual conduct of a patient or client in proceedings concerning unprofessional conduct; proposing new law coded in Minnesota Statutes, chapters 147 and 148.

The bill was read for the first time.

Greenfield moved that S. F. No. 1883 and H. F. No. 2067, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1914, 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.

Skoglund moved that S. F. No. 1914 and H. F. No. 1945, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1976, 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 473.581, subdivision 3; repealing Minnesota Statutes 1982, section 473.568.

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

S. F. No. 2009, 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.

S. F. No. 992, A bill for an act relating to welfare; requiring parents of children on probation or parole to pay the costs of foster care; amending Minnesota Statutes 1982, sections 242.19, subdivision 2; and 260.251, subdivision 1.

The bill was read for the first time.

Norton moved that S. F. No. 992 and H. F. No. 1213, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1548, A bill for an act relating to game and fish; prohibiting taking, possession and transportation of fish in international waters in excess of certain daily limits; regulating enforcement of the laws relating to wild animals; providing for reciprocity with other governments; removing the license surcharge on fish and dark houses; eliminating the discount on walleye buyouts; amending Minnesota Statutes 1982, sections 97.48, subdivision 3; 97.501; Minnesota Statutes 1983 Supplement, sections 97.86, subdivision 1; and 102.26, subdivision 3d.

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

S. F. No. 1575, A bill for an act relating to commerce; providing for the computation of interest on mechanics' lien claims; delaying the effective date of a bill carried over from the 1983 to the 1984 regular session; proposing new law coded in Minnesota Statutes, chapter 514.

The bill was read for the first time.

Ellingson moved that S. F. No. 1575 and H. F. No. 2039, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1864, A bill for an act relating to state government; amending the Administrative Procedure Act; establishing an optional negotiated rulemaking procedure; allowing interested persons to respond after a public hearing; removing a requirement that the attorney general review the hearing examiner's hearing report; providing that rules will be adopted without a public hearing unless 25 persons object; providing for notification that rules were modified after proposal; restricting the adoption of temporary rules; providing that exempt rules are not effective unless submitted to the revisor of statutes; provid-

ing that judicial review of rules is by the court of appeals with appeal to the supreme court; amending Minnesota Statutes 1982, sections 14.03, subdivision 2; 14.10; 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; 14.08; 14.12; 14.14, subdivision 1; 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; 14.17; and 14.21.

The bill was read for the first time.

Knuth moved that S. F. No. 1864 and H. F. No. 2130, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 396, A bill for an act relating to taxation; extending Class 3 property to certain property owned by certain fraternal beneficiary societies or associations for community service; exempting sales of candy by nonprofit youth organizations from the sales tax; amending Minnesota Statutes 1983 Supplement, sections 273.13, subdivision 4; and 297A.25, subdivision 1.

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

S. F. No. 1403, 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.

Solberg moved that S. F. No. 1403 and H. F. No. 1909, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

CONSENT CALENDAR

S. F. No. 1351 was reported to the House.

There being no objection S. F. No. 1351 was temporarily laid over on the Consent Calendar.

S. F. No. 1642 was reported to the House.

There being no objection S. F. No. 1642 was temporarily laid over on the Consent Calendar.

S. F. No. 1473 was reported to the House.

Ellingson moved to amend S. F. No. 1473, as follows:

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 RECORDING.]

When a deed or other instrument conveying land, or plat of any town site or addition thereto, or a survey required pursuant to section 508.47, is presented to the county auditor for transfer, he shall ascertain from his records if there be taxes delinquent upon the land described therein, or if it has been sold for taxes. If there are taxes delinquent, he shall certify to the same; and upon payment of such taxes, or in case no taxes are delinquent, he shall transfer the land upon the books of his office, and note upon the instrument, over his official signature, the words, "no delinquent taxes and transfer entered," or, if the land described has been sold or assigned to an actual purchaser for taxes, the words "paid by sale of land described within;" and, unless such statement is made upon such instrument, the county recorder or the registrar of titles shall refuse to receive or record the same; provided, that sheriff's or referees' certificates of sale on execution or foreclosure of a lien or mortgage, deeds of distribution made by a personal representative in probate proceedings, decrees and judgments, receivers receipts, patents, and copies of town or statutory city plats, in case the original plat filed in the office of the county recorder has been lost or destroyed, and the instruments releasing, removing and discharging reversionary and forfeiture provisions affecting title to land and instruments releasing, removing or discharging easement rights in land or building or other restrictions, may be recorded without such certificate; and, provided that instruments conveying land and, as appurtenant thereto an easement over adjacent tract or tracts of land, may be recorded without such certificate as to the land covered by such easement; and provided further, that any instrument granting an easement made in favor of any public utility or pipe line for conveying gas, liquids or solids in suspension, in the nature of a right of way over, along, across or under a tract of land may be recorded without such certificate as to the land covered by such easement. *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 per-

sons 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 expense 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 hereinafter 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."

The motion prevailed and the amendment was adopted.

SUSPENSION OF RULES

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, Ellingson moved that the rule therein be

suspended and an urgency be declared so that S. F. No. 1473, as amended, be given its third reading and be placed upon its final passage. The motion prevailed.

Ellingson moved that the rules of the House be so far suspended that S. F. No. 1473, as amended, be given its third reading and be placed upon its final passage. 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 third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 114 yeas and 12 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Elioff	Knickerbocker	Omann	Sherman
Anderson, G.	Ellingson	Knuth	Onnen	Simoneau
Anderson, R.	Evans	Kostohryz	Osthoff	Skoglund
Battaglia	Findlay	Krueger	Otis	Solberg
Beard	Forsythe	Kvam	Peterson	Sparby
Begich	Graba	Larsen	Piepho	Stadum
Bennett	Greenfield	Levi	Piper	Staten
Bergstrom	Gruenes	Long	Price	Swiggum
Bishop	Gustafson	Mann	Quinn	Swanson
Blatz	Gutknecht	Marsh	Quist	Tomlinson
Boo	Halberg	McEachern	Reif	Tunheim
Brandl	Haukoos	McKasy	Riveness	Valan
Brinkman	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	Jensen	Neuenschwander	Scheid	Welle
Coleman	Johnson	Norton	Schoenfeld	Wenzel
Dempsey	Kahn	O'Connor	Seaberg	Wynia
Dimler	Kalis	Ogren	Segal	Speaker Sieben
Eken	Kelly	Olsen	Shea	

Those who voted in the negative were:

DenOuden	Jennings	Schafer	Uphus	Wigley
Erickson	Ludeman	Thiede	Welker	Zaffke
Fjoslien	McDonald			

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

S. F. No. 1351 which was temporarily laid over earlier today was again reported to the House.

SUSPENSION OF RULES

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, Graba moved that the rule therein be suspended and an urgency be declared so that S. F. No. 1351 be given its third reading and be placed upon its final passage. The motion prevailed.

Graba moved that the rules of the House be so far suspended that S. F. No. 1351 be given its third reading and be placed upon its final passage. 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 third 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.	Evans	Krueger	Piepho	Staten
Anderson, R.	Findlay	Kvam	Piper	Sviggum
Battaglia	Fjoslien	Larsen	Price	Swanson
Beard	Forsythe	Levi	Quinn	Thiede
Begich	Graba	Long	Quist	Tomlinson
Bennett	Greenfield	Ludeman	Reif	Tunheim
Bergstrom	Gruenes	Mann	Rice	Uphus
Bishop	Gustafson	McDonald	Riveness	Valan
Blatz	Gutknecht	McEachern	Rodosovich	Valento
Boo	Halberg	McKasy	Rodriguez, C.	Vanasek
Brandl	Haukoos	Metzen	Rodriguez, F.	Vellenga
Brinkman	Heap	Minne	Rose	Voss
Carlson, D.	Heinitz	Munger	St. Onge	Waltman
Carlson, L.	Himle	Murphy	Sarna	Welch
Clark, J.	Hoffman	Nelson, D.	Schafer	Welker
Clark, K.	Hokr	Nelson, K.	Schoenfeld	Welle
Clawson	Jacobs	Neuenschwander	Schreiber	Wenzel
Cohen	Jennings	Norton	Seaberg	Wigley
Coleman	Jensen	O'Connor	Segal	Wynia
Dempsey	Johnson	Ogren	Shea	Zaffke
DenOuden	Kahn	Olsen	Sherman	Speaker Sieben
Dimler	Kalis	Omann	Simoneau	
Eken	Kelly	Onnen	Skoglund	
Elioff	Knickerbocker	Osthoff	Solberg	
Ellingson	Knuth	Otis	Sparby	

The bill was passed and its title agreed to.

S. F. No. 1642 which was temporarily laid over earlier today was again reported to the House.

SUSPENSION OF RULES

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, Vellenga moved that the rule therein be suspended and an urgency be declared so that S. F. No. 1642 be given its third reading and be placed upon its final passage. The motion prevailed.

Vellenga moved that the rules of the House be so far suspended that S. F. No. 1642 be given its third reading and be placed upon its final passage. 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 in 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 subdivision; 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 third 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.	Findlay	Kvam	Piepho	Sparby
Anderson, G.	Fjoslien	Larsen	Piper	Stadum
Battaglia	Forsythe	Levi	Price	Staten
Beard	Graba	Long	Quinn	Swanson
Begich	Greenfield	Ludeman	Quist	Thiede
Bennett	Cruenes	Mann	Rice	Tomlinson
Bergstrom	Gustafson	McDonald	Riveness	Tunheim
Bishop	Gutknecht	McEachern	Rodosovich	Uphus
Blatz	Halberg	McKasy	Rodriguez, C.	Valan
Boo	Haukoos	Metzen	Rodriguez, F.	Valento
Brandl	Heap	Minne	Rose	Vanasek
Brinkman	Heinitz	Munger	St. Onge	Vellenga
Carlson, D.	Himle	Murphy	Sarna	Voss
Carlson, L.	Hokr	Nelson, D.	Schafer	Waltman
Clark, J.	Jacobs	Nelson, K.	Scheid	Welch
Clark, K.	Jennings	Neuenschwander	Schoenfeld	Welker
Clawson	Jensen	Norton	Schreiber	Welle
Cohen	Johnson	O'Connor	Seaberg	Wenzel
Coleman	Kahn	Ogren	Segal	Wigley
DenOuden	Kalis	Olsen	Shaver	Wynia
Dimler	Kelly	Omann	Shea	Zaifke
Eken	Knickerbocker	Onnen	Sherman	Speaker Sieben
Elioff	Knuth	Osthoff	Simoneau	
Ellingson	Kostohryz	Otis	Skoglund	
Erickson	Krueger	Peterson	Solberg	

The bill was passed and its title agreed to.

CALENDAR

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 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 third 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.	Findlay	Kvam	Peterson	Sparby
Anderson, G.	Fjoslien	Larsen	Piepho	Stadum
Battaglia	Forsythe	Levi	Piper	Staten
Beard	Graba	Long	Price	Sviggum
Begich	Greenfield	Ludeman	Quinn	Swanson
Bennett	Gruenes	Mann	Quist	Thiede
Bergstrom	Gustafson	Marsh	Rice	Tomlinson
Bishop	Gutknecht	McDonald	Riveness	Tunheim
Blatz	Halberg	McEachern	Rodosovich	Uphus
Boo	Haukoos	McKasy	Rodriguez, C.	Valan
Brandl	Heap	Metzen	Rodriguez, F.	Valento
Brinkman	Heinitz	Minne	Rose	Vanasek
Carlson, D.	Himle	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
Cohen	Jensen	Norton	Schreiber	Welle
Coleman	Johnson	O'Connor	Seaberg	Wenzel
DenOuden	Kahn	Ogren	Segal	Wigley
Dimler	Kalis	Olsen	Shaver	Wynia
Eken	Kelly	Omann	Shea	Zaffke
Elioff	Knickerbocker	Onnen	Sherman	Speaker Sieben
Ellingson	Knuth	Osthoff	Simoneau	
Erickson	Kostohryz	Otis	Skoglund	
Evans	Krueger	Pauly	Solberg	

Those who voted in the negative were:

Anderson, R.

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. Nos. 377 and 1453; S. F. No. 1511 and H. F. No. 1707.

H. F. No. 377 was reported to the House.

Himle moved to amend H. F. No. 377, the first engrossment, as follows:

Page 1, after line 8, insert:

"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; *and*

(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 108(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.

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 pur-

poses, 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, *including distributions from an individual retirement account which represent a return of contributions if they were included previously in gross income on the individual's income tax return. The distribution shall be allocated first to the return of contributions included in gross income until the amount of the contributions has been exhausted;*

(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; and

(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 CONTRIBU-

TIONS 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) (19).

Sec. 3. [EFFECTIVE DATE.]

Sections 1 and 2 are effective for taxable years beginning after December 31, 1984."

Renumber sections as necessary

Amend the title accordingly

A roll call was requested and properly seconded.

Pursuant to rule 1.10 Tomlinson withdrew his request for immediate consideration of H. F. No. 377.

H. F. No. 1453 was reported to the House.

Welker moved to amend H. F. No. 1453, the first engrossment, as follows:

Page 1, line 11, delete the new language and reinstate the stricken language.

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

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 1983 Supplement, section 297A.27, subdivision 1.

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

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

Those who voted in the affirmative were:

Anderson, B.	Bishop	Clark, K.	Elioff	Greenfield
Anderson, C.	Blatz	Clawson	Erickson	Gruenes
Anderson, R.	Boo	Cohen	Evans	Gustafson
Battaglia	Brandl	Coleman	Findlay	Gutknecht
Beard	Brinkman	Dempsey	Fjoslien	Halberg
Begich	Carlson, D.	DenOuden	Forsythe	Haukoos
Bennett	Carlson, L.	Dimler	Frerichs	Heap
Bergstrom	Clark, J.	Eken	Graba	Heinitz

Himle	Marsh	Pauly	Scheid	Tunheim
Hoffman	McDonald	Peterson	Schoenfeld	Uphus
Hokr	McEachern	Piepho	Schreiber	Valan
Jaocba	McKasy	Piper	Seaberg	Valento
Jennings	Metzen	Price	Segal	Vanasek
Jensen	Minne	Quinn	Shaver	Vellenga
Johnson	Munger	Quist	Shea	Voss
Kahn	Murphy	Redalen	Sherman	Waltman
Kalis	Nelson, D.	Reif	Simoneau	Welch
Kelly	Neuenschwander	Rice	Skoglund	Welker
Knickerbocker	Norton	Riveness	Solberg	Welle
Knuth	O'Connor	Rodosovich	Sparby	Wenzel
Kostohryz	Ogren	Rodriguez, C.	Stadum	Wigley
Krueger	Olsen	Rodriguez, F.	Staten	Wynia
Kvam	Omann	Rose	Sviggum	Zaffke
Larsen	Onnen	St. Onge	Swanson	Speaker Sieben
Ludeman	Osthoff	Sarna	Thiede	
Mann	Otis	Schafer	Tomlinson	

The bill was passed and its title agreed to.

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 third 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 10 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Erickson	Haukoos	McDonald	Thiede	Welker
Frerichs	Ludeman	Schafer	Uphus	Zaffke

The bill was passed and its title agreed to.

H. F. No. 1707 was reported to the House.

Kostohryz moved to amend H. F. No. 1707, the fourth engrossment, as follows:

Page 9, line 26, delete "*felony*" and insert "*offense*"

Page 21, delete lines 34 to 36.

Page 22, delete lines 1 and 2.

Page 22, line 3, delete "*2*" and insert "*1*"

Page 22, line 3, delete "*Any other*" and insert "*A*"

Page 22, line 5, delete "*3*" and insert "*2*"

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 79 yeas and 27 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Ellingson	Kostohryz	Osthoff	Simoneau
Anderson, R.	Evans	Krueger	Otis	Skoglund
Beard	Forsythe	Larsen	Pauly	Solberg
Begich	Frerichs	Long	Peterson	Sparby
Bergstrom	Greenfield	Mann	Piepho	Sviggum
Bishop	Gruenes	McEachern	Piper	Swanson
Brandl	Gustafson	Metzen	Price	Tunheim
Carlson, L.	Gutknecht	Minne	Quinn	Uphus
Clark, J.	Himle	Munger	Reif	Valan
Clawson	Hoffman	Murphy	Rice	Vanasek
Cohen	Jacobs	Nelson, D.	Rodosovich	Waltman
Coleman	Jensen	Nelson, K.	St. Onge	Welker
Dempsey	Johnson	Neuenschwander	Sarna	Welle
Dimler	Kahn	Norton	Schafer	Wigley
Eken	Kalis	Ogren	Schoenfeld	Speaker Sieben
Elioff	Knuth	Onnen	Segal	

Those who voted in the negative were:

Bennett	Fjoslien	Kvam	Omann	Shaver
Boo	Halberg	Marsh	Quist	Stadum
Brinkman	Haukoos	McDonald	Rodriguez, F.	Thiede
DenOuden	Heinitz	O'Connor	Schreiber	Valento
Erickson	Hokr	Olsen	Seaberg	Wenzel
Findlay	Jennings			

The motion prevailed and the amendment was adopted.

Kostohryz moved to amend H. F. No. 1707, the fourth engrossment, as amended, as follows:

Page 20, line 28, after "gambling" insert: "*and may require a permit for the conduct of gambling exempt from licensing under section 19. The authority granted by this subdivision does not include the authority to require a license or permit to conduct gambling by organizations licensed by the board*"

The motion prevailed and the amendment was adopted.

Wenzel moved to amend H. F. No. 1707, the fourth engrossment, as amended, as follows:

Page 20, lines 12 to 22, delete subdivision 3 from the bill

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 43 yeas and 82 nays as follows:

Those who voted in the affirmative were:

Bishop	Fjoslien	Kahn	Rodriguez, C.	Vellenga
Boo	Frerichs	Kvam	Schafer	Voss
Carlson, D.	Graba	Long	Seaberg	Waltman
Coleman	Gutknecht	Ludeman	Sherman	Welker
Dempsey	Haukoos	McDonald	Skoglund	Wenzel
DenOuden	Heap	Murphy	Swiggum	Wigley
Dimler	Hokr	Onnen	Thiede	Zaffke
Erickson	Jennings	Piepho	Uphus	
Findlay	Johnson	Quist	Valento	

Those who voted in the negative were:

Anderson, B.	Ellingson	Larsen	Pauly	Shea
Anderson, G.	Evans	Mann	Peterson	Simoneau
Battaglia	Forsythe	Marsh	Piper	Solberg
Beard	Greenfield	McEachern	Price	Sparby
Begich	Gustafson	McKasy	Quinn	Stadum
Bennett	Halberg	Metzen	Reif	Staten
Bergstrom	Heinitz	Minne	Rice	Swanson
Blatz	Himle	Munger	Riveness	Tomlinson
Brandl	Hoffman	Nelson, D.	Rodosovich	Tunheim
Brinkman	Jacobs	Neuenschwander	Rodriguez, F.	Valan
Carlson, L.	Jensen	Norton	Rose	Vanasek
Clark, J.	Kalis	O'Connor	St. Onge	Welch
Clark, K.	Kelly	Ogren	Sarna	Welle
Clawson	Knickerbocker	Olsen	Schoenfeld	Speaker Sieben
Cohen	Knuth	Omann	Schreiber	
Eken	Kostohryz	Osthoff	Segal	
Elioff	Krueger	Otis	Shaver	

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

Bishop moved to amend H. F. No. 1707, the fourth engrossment, as amended, as follows:

Page 20, line 18, after "only" delete the balance of the line

Page 20, delete lines 19 to 22

POINT OF ORDER

Kostohryz 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 Bishop amendment to H. F. No. 1707, the fourth engrossment, as amended. The motion did not prevail and the amendment was not adopted.

Schreiber moved to amend H. F. No. 1707, the fourth engrossment, as amended, as follows:

Page 20, line 20, after "programs" insert a period and delete the remainder of the line.

Page 20, delete lines 21 and 22

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 51 yeas and 73 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Graba	Kvam	Rodosovich	Thiede
Bennett	Gruenes	Levi	Rodriguez, C.	Uphus
Bishop	Gutknecht	Long	Schafer	Valento
Carlson, D.	Halberg	Ludeman	Schreiber	Vellenga
Coleman	Haukoos	McDonald	Seaberg	Voss
DenOuden	Heap	Murphy	Shea	Waltman
Dimler	Hokr	Onnen	Sherman	Welker
Erickson	Jennings	Piepho	Skoglund	Wenzel
Findlay	Johnson	Quist	Stadum	Wigley
Fjoslien	Kahn	Reif	Sviggum	Zaffke
Frerichs				

Those who voted in the negative were:

Anderson, B.	Clawson	Jacobs	Metzen	Pauly
Anderson, G.	Cohen	Jensen	Minne	Peterson
Battaglia	Dempsey	Kalis	Munger	Piper
Beard	Eken	Kelly	Nelson, D.	Price
Begich	Elioff	Knickerbocker	Neuenschwander	Quinn
Bergstrom	Ellingson	Knuth	Norton	Rice
Blatz	Evans	Kostohryz	O'Connor	Riveness
Brandl	Forsythe	Krueger	Ogren	Rodriguez, F.
Brinkman	Greenfield	Larsen	Olsen	Rose
Carlson, I.	Gustafson	Mann	Omann	St. Onge
Clark, J.	Himle	Marsh	Osthoff	Sarna
Clark, K.	Hoffman	McEachern	Otis	Schoenfeld

Segal	Solberg	Swanson	Vanasek	Welle
Shaver	Sparby	Tomlinson	Welch	Speaker Sieben
Simoneau	Staten	Tunheim		

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

Sherman moved to amend H. F. No. 1707, the fourth engrossment, as amended, as follows:

Page 20, line 20, delete "construction"

Page 20, line 20, delete "schools" insert "programs"

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 55 yeas and 69 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Fjoslien	Kahn	Reif	Sviggum
Bishop	Frerichs	Kvam	Rodosovich	Thiede
Boo	Graba	Long	Rodriguez, C.	Uphus
Carlson, D.	Gruenes	Ludeman	Rose	Valan
Clawson	Gutknecht	McDonald	Schafer	Valento
Coleman	Halberg	McKasy	Schreiber	Voss
Dempsey	Haukoos	Murphy	Seaberg	Waltman
DenOuden	Heap	Nelson, D.	Shea	Welker
Dimler	Hokr	Onnen	Sherman	Wenzel
Erickson	Jennings	Piepho	Skoglund	Wigley
Findlay	Johnson	Quist	Stadum	Zaffke

Those who voted in the negative were:

Anderson, B.	Eken	Knuth	Omann	Segal
Anderson, G.	Elioff	Kostohryz	Osthoff	Shaver
Battaglia	Ellingson	Larsen	Otis	Simoneau
Beard	Evans	Mann	Pauly	Solberg
Begich	Forsythe	Marsh	Peterson	Sparby
Bennett	Greenfield	McEachern	Piper	Staten
Bergstrom	Gustafson	Metzen	Price	Swanson
Blatz	Himle	Minne	Quinn	Tomlinson
Brandl	Hoffman	Munger	Rice	Tunheim
Brinkman	Jacobs	Neuenschwander	Riveness	Vanasek
Carlson, L.	Jensen	Norton	Rodriguez, F.	Welch
Clark, J.	Kalis	O'Connor	St. Onge	Welle
Clark, K.	Kelly	Ogren	Sarna	Speaker Sieben
Cohen	Knickerbocker	Olsen	Schoenfeld	

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

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 penal-

ties; 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 third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 90 yeas and 34 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Elioff	Larsen	Pauly	Shaver
Anderson, G.	Ellingson	Mann	Peterson	Shea
Battaglia	Evans	Marsh	Piper	Simoneau
Beard	Findlay	McEachern	Price	Skoglund
Begich	Forsythe	Metzen	Quinn	Solberg
Bennett	Greenfield	Minne	Reif	Sparby
Bergstrom	Gustafson	Munger	Rice	Stadum
Blatz	Heap	Nelson, D.	Riveness	Staten
Brandl	Himle	Nelson, K.	Rodosovich	Swanson
Brinkman	Hoffman	Neuenschwander	Rodriguez, C.	Tomlinson
Carlson, L.	Jacobs	Norton	Rodriguez, F.	Tunheim
Clark, J.	Jensen	O'Connor	Rose	Valan
Clark, K.	Kahn	Ogren	St. Onge	Valento
Clawson	Kelly	Olsen	Sarna	Vanasek
Cohen	Knickerbocker	Omann	Schoenfeld	Welch
Coleman	Knuth	Onnen	Schreiber	Welle
Dempsey	Kostohryz	Osthoff	Seaberg	Wynia
Eken	Krueger	Otis	Segal	Speaker Sieben

Those who voted in the negative were:

Anderson, R.	Frerichs	Jennings	Piepho	Voss
Bishop	Graba	Johnson	Quist	Waltman
Carlson, D.	Gruenes	Kvam	Schafer	Welker
DenOuden	Gutknecht	Ludeman	Sherman	Wenzel
Dimler	Halberg	McDonald	Sviggum	Wigley
Erickson	Haukoos	McKasy	Thiede	Zaffke
Fjoslien	Heintz	Murphy	Uphus	

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

Levi was excused between the hours of 12:00 noon and 4:45 p.m.

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:

Carlson, D., was excused while in conference.

There being no objection the order of business reverted to Messages from the Senate.

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

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

S. F. Nos. 1732 and 2102.

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. 595, 1336, 1498, and 2030.

PATRICK E. FLAHAVEN, Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 1732, 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; 53.04, subdivision 1, and by adding a subdivision; 56.131, subdivision 2; 82.24, subdivisions 1, 2, and 6; Minnesota Statutes 1983 Supplement, sections 53.04, subdivision 3a; and 53.05; proposing new law coded in Minnesota Statutes, chapter 56.

The bill was read for the first time.

Quinn moved that S. F. No. 1732 and H. F. No. 1923, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2102, A bill for an act relating to health; providing counseling and educational services for sudden infant death syndrome families; encouraging 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 144.07; 144.222; and 390.11.

The bill was read for the first time.

Valan moved that S. F. No. 2102 and H. F. No. 2183, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 595, 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, sections 60D.01, subdivision 8; and 60D.02, subdivision 5.

The bill was read for the first time.

Wynia moved that S. F. No. 595 and H. F. No. 702, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1336, A bill for an act relating to crime; providing for criminal penalties and a one year driver's license revocation upon refusal by a driver suspected of driving under the influence of alcohol or a controlled substance to take a test; authorizing testing of a suspect who is unconscious or in a condition rendering the suspect incapable of refusal; restricting issuance of limited licenses for work purposes; clarifying provisions of the hit and run law; clarifying penalties imposed on certain persons convicted of driving while under the influence of alcohol or a controlled substance; clarifying provisions of the driving after revocation, suspension, or cancellation law; prescribing penalties for causing death or injury of another while operating a vehicle in a certain manner; providing for admission into evidence of certain convictions for driving offenses for impeachment purposes; authorizing issuance of limited licenses in certain circumstances; amending Minnesota Statutes 1982, sections 169.09, subdivision 4; 169.123, subdivisions 4, 5a, and 9, and by adding a subdivision; 171.24; and 171.30, subdivision 1; and Minnesota Statutes 1983 Supplement, sections 169.09, subdivisions 1, 14, and 15; 169.121, subdivision 3; 169.123, subdivisions 2 and 6; and 609.21, subdivisions 1 and 2; proposing new law coded in Minnesota Statutes, chapters 171 and 634; repealing Minnesota Statutes 1982, section 169.123, subdivision 9.

The bill was read for the first time.

Vellenga moved that S. F. No. 1336 and H. F. No. 1400, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1498, A bill for an act relating to occupations and professions; clarifying jurisdiction over installment of power limited circuits.

The bill was read for the first time.

Anderson, G., moved that S. F. No. 1498 and H. F. No. 1851, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2030, A bill for an act relating to 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.

Simoneau moved that S. F. No. 2030 and H. F. No. 2135, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

CONSIDERATION UNDER RULE 1.10

Pursuant to rule 1.10, Tomlinson requested immediate consideration of S. F. No. 746 and H. F. No. 966.

S. F. No. 746, A bill for an act relating to counties; permitting counties to issue notes to finance purchase of necessary capital equipment; amending Minnesota Statutes 1982, section 373.01, 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 112 yeas and 1 nay as follows:

Those voted in the affirmative were:

Anderson, G.	Boo	Dempsey	Forsythe	Hoffman
Anderson, R.	Brandl	DenOuden	Graba	Jennings
Battaglia	Burger	Dimler	Greenfield	Jensen
Beard	Carlson, D.	Eken	Gruenes	Johnson
Begich	Carlson, L.	Elioff	Gutknecht	Kahn
Bennett	Clark, J.	Erickson	Halberg	Kelly
Bergstrom	Clark, K.	Evans	Haukoos	Knickerbocker
Bishop	Clawson	Findlay	Heap	Knuth
Blatz	Coleman	Fjoslien	Heinitz	Kostohryz

Krueger	Ogren	Rice	Sherman	Vanasek
Kvam	Olsen	Rodosovich	Simoneau	Vellenga
Larsen	Omann	Rodriguez, C.	Skoglund	Voss
Long	Onnen	Rodriguez, F.	Solberg	Waltman
Ludeman	Osthoff	Rose	Sparby	Welker
Marsh	Otis	St. Onge	Staten	Welle
McDonald	Pauly	Sarna	Sviggum	Wenzel
McEachern	Peterson	Schafer	Swanson	Wigley
McKasy	Piepho	Scheid	Thiede	Wynia
Minne	Piper	Schoenfeld	Tomlinson	Zaffke
Murphy	Price	Schreiber	Tunheim	Speaker Sieben
Nelson, K.	Quinn	Seaberg	Uphus	
Norton	Quist	Segal	Valan	
O'Connor	Redalen	Shaver	Valento	

Those who voted in the negative were:

Gustafson

The bill was passed and its title agreed to.

H. F. No. 966 was reported to the House.

Neuenschwander moved to amend H. F. No. 966, the first engrossment, as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 297A.01, subdivision 15, is amended to read:

Subd. 15. "Farm machinery" means new or used machinery, equipment, implements, accessories and contrivances used directly and principally in the production for sale, but not including the processing, of livestock, dairy animals, dairy products, poultry and poultry products, fruits, vegetables, forage, grains and bees and apiary products. "Farm machinery" shall include machinery for the preparation, seeding or cultivation of soil for growing agricultural crops, harvesting and threshing of agricultural products, and certain machinery for dairy, livestock and poultry farms, together with barn cleaners, milking systems, grain dryers, automatic feeding systems and similar installations. Irrigation equipment sold for exclusively agricultural use, including pumps, pipe fittings, valves, sprinklers and other equipment necessary to the operation of an irrigation system when sold as part of an irrigation system, except irrigation equipment which is situated below ground and considered to be a part of the real property, shall be included in the definition of farm machinery. *Logging equipment, except chain saws, shall be included in the definition of farm machinery.* Repair or replacement parts for farm machinery shall not be included in the definition of farm machinery.

Tools, shop equipment, grain bins, feed bunks, fencing material, communication equipment and other farm supplies shall

not be considered to be farm machinery. "Farm machinery" does not include motor vehicles taxed under chapter 297B, snow-mobiles, snow blowers, lawn mowers, garden-type tractors or garden tillers and the repair and replacement parts for those vehicles and machines.

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective for sales made after June 30, 1984."

Further delete the title and insert:

"A bill for an act relating to taxation; sales; including logging equipment in the definition of farm machinery; amending Minnesota Statutes 1982, section 297A.01, subdivision 15."

Valan moved to amend the Neuenschwander amendment to H. F. No. 966, the first engrossment, as follows:

Page 2, of the Neuenschwander amendment after line 10, insert:

"Sec. 2. 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 be-

ings 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 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 and industrial production of personal property intended to be sold ultimately at retail, whether or not the item so used becomes an ingredient or constituent part of the property produced. Such production shall include, but is not limited to, research, development, design or production of any tangible personal property, manufacturing, processing (other than by restaurants and consumers) of agricultural products whether vegetable or animal, commercial fishing, refining, smelting, reducing, brewing, distilling, printing, mining, quarrying, lumbering, generating electricity and the production of road building materials. Such production shall not include painting, cleaning, repairing or similar processing of property except as part of the original manufacturing process. Machinery, equipment, implements, tools, accessories, appliances, contrivances, furniture and fixtures, used in such production and fuel, electricity, gas or steam used for space heating or lighting, are not included within this exemption; however, accessory

tools, equipment and other short lived items, which are separate detachable units used in producing a direct effect upon the product, where such items have an ordinary useful life of less than 12 months, are included within the exemption provided herein;

(i) The gross receipts from the sale of and storage, use or other consumption in Minnesota of tangible personal property (except as provided in section 297A.14) which is used or consumed in producing any publication regularly issued at average intervals not exceeding three months, and any such publication. For purposes of this subsection, "publication" as used herein shall include, without limiting the foregoing, a legal newspaper as defined by Minnesota Statutes 1965, section 331.02, and any supplements or enclosures with or part of said newspaper; and the gross receipts of any advertising contained therein or therewith shall be exempt. For this purpose, advertising in any such publication shall be deemed to be a service and not tangible personal property, and persons or their agents who publish or sell such newspapers shall be deemed to be engaging in a service with respect to gross receipts realized from such newsgathering or publishing activities by them, including the sale of advertising. 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 taconite, the material of which primarily is added to and becomes a part of the material being processed.

(p) The gross receipts from the sale of tangible personal property to, and the storage, use or other consumption of such property by, any corporation, society, association, foundation, or institution organized and operated exclusively for charitable,

religious or educational purposes if the property purchased is to be used in the performance of charitable, religious or educational functions, or any senior citizen group or association of groups that in general limits membership to persons age 55 or older and is organized and operated exclusively for pleasure, recreation and other nonprofit purposes, no part of the net earnings of which inures to the benefit of any private shareholders. 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, 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 or exchange of gold, silver, bullion, and other precious metals if purchased, sold or otherwise acquired solely for investment purposes by a customer or client of a registered securities broker-dealer licensed under chapter 80A.*"

Re-number remaining section

Page 2 of the Neuenschwander amendment, line 12, delete "Section 1 is" and insert "Sections 1 and 2 are"

Further amend the title:

Page 2 of the Neuenschwander amendment, line 15, after the semicolon, insert "exempting gold and silver bullion;"

Page 2 of the Neuenschwander amendment, line 17, delete the period and insert "; and Minnesota Statutes 1983 Supplement, section 297A.25, subdivision 1."

There being no objection H. F. No. 966 was temporarily laid over on Rule 1.10.

CONSIDERATION UNDER RULE 1.10

Pursuant to rule 1.10, Rice requested immediate consideration of H. F. Nos. 100, 2006, 1920, 1376, 1588, 1678, 1237, 1769, 49, 2188, 1966, 1069, 1264, 1689 and 820.

H. F. No. 100, 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; and 62E.531, 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.	Begich	Boo	Carlson, L.	Colman
Anderson, G.	Bennett	Brandl	Clark, J.	Dempsey
Anderson, R.	Bergstrom	Brinkman	Clark, K.	Dimler
Battaglia	Bishop	Burger	Clawson	Eken
Beard	Blatz	Carlson, D.	Cohen	Elioff

Erickson	Johnson	Nelson, D.	Rodosovich	Sviggum
Evans	Kahn	Nelson, K.	Rodriguez, C.	Swanson
Findlay	Kelly	Norton	Rodriguez, F.	Tomlinson
Fjoslien	Knickerbocker	O'Connor	Rose	Tunheim
Forsythe	Knuth	Ogren	St. Onge	Uphus
Graba	Kostohryz	Olsen	Sarna	Valan
Greenfield	Krueger	Omann	Scheid	Valento
Gruenes	Kvam	Onnen	Schoenfeld	Vanasek
Gustafson	Larsen	Osthoff	Schreiber	Vellenga
Gutknecht	Long	Otis	Seaberg	Voss
Halberg	Mann	Pauly	Segal	Waltman
Haukoos	Marsh	Peterson	Shaver	Welch
Heap	McDonald	Piepho	Shea	Welle
Heinitz	McEachern	Piper	Sherman	Wenzel
Hoffman	McKasy	Price	Simoneau	Wigley
Hokr	Metzen	Quinn	Skoglund	Wynia
Jacobs	Minne	Redalen	Solberg	Speaker Sieben
Jennings	Munger	Rice	Sparby	
Jensen	Murphy	Riveness	Staten	

Those who voted in the negative were:

DenOuden Ludeman Quist Schafer Welker

The bill was passed and its title agreed to.

The Speaker called Wynia to the Chair.

H. F. No. 2006 was reported to the House.

Sviggum and Waltman moved to amend H. F. No. 2006, the second engrossment, as follows:

Page 1, after line 22, insert the following:

"Sec. 2. The legislature is concerned about unrestricted fishing in the Mississippi River that may cause harm to our fish population. It is the policy of this legislature to encourage the commissioner of natural resources to continue attempts to reach agreement with the state of Wisconsin to further restrict the fishing season on these open waters."

Renumber the following section

The motion prevailed and the amendment was adopted.

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 third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 95 yeas and 17 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Ellingson	Kvam	Osthoff	Shaver
Battaglia	Erickson	Larsen	Otis	Shea
Beard	Evans	Ludeman	Pauly	Sherman
Begich	Findlay	Mann	Peterson	Simoneau
Bennett	Fjoslien	Marsh	Piper	Sparby
Bergstrom	Forsythe	McEachern	Price	Sviggum
Bishop	Graba	McKasy	Quinn	Swanson
Blatz	Gruenes	Metzen	Quist	Thiede
Boo	Gustafson	Minne	Redalen	Tunheim
Brandl	Cutknecht	Munger	Reif	Valan
Brinkman	Halberg	Nelson, D.	Rodosovich	Valento
Burger	Haukoos	Nelson, K.	Rodriguez, F.	Vanašek
Carlson, L.	Hoffman	Neuenschwander	Rose	Voss
Clark, J.	Jacobs	Norton	St. Onge	Waltman
Clark, K.	Jensen	O'Connor	Scheid	Welch
Cohen	Kelly	Ogren	Schoenfeld	Welle
Coleman	Knickerbocker	Olsen	Schreiber	Wenzel
Dempsey	Kostohryz	Omman	Seaberg	Wynia
Eken	Krueger	Onnen	Segal	Speaker Sieben

Those who voted in the negative were:

Anderson, G.	Elioff	Kahn	Sarna	Welker
Anderson, R.	Greenfield	McDonald	Schafer	Wigley
DenOuden	Jennings	Piepho	Uphus	Zaffke
Dimler	Johnson			

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

H. F. No. 1920, A bill for an act relating to public welfare; establishing payments for respite care of children who are mentally retarded, have epilepsy, or are emotionally handicapped; 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 third 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.	Brinkman	Eken	Cutknecht	Kelly
Anderson, G.	Burger	Elioff	Halberg	Knickerbocker
Anderson, R.	Carlson, D.	Ellingson	Haukoos	Knuth
Battaglia	Carlson, L.	Erickson	Heap	Kostohryz
Beard	Clark, J.	Evans	Heinitz	Krueger
Begich	Clark, K.	Findlay	Hoffman	Kvam
Bennett	Clawson	Fjoslien	Hokr	Larsen
Bergstrom	Cohen	Forsythe	Jacobs	Long
Bishop	Coleman	Graba	Jennings	Ludeman
Blatz	Dempsey	Greenfield	Jensen	Mann
Boo	DenOuden	Gruenes	Johnson	Marsh
Brandl	Dimler	Gustafson	Kahn	McDonald

McEachern	Onnen	Rodriguez, F.	Skoglund	Voss
McKasy	Osthoff	Rose	Solberg	Waltman
Metzen	Otis	St. Onge	Sparby	Welch
Minne	Pauly	Sarna	Staten	Welker
Munger	Peterson	Schafer	Sviggum	Welle
Murphy	Piepho	Scheid	Swanson	Wenzel
Nelson, D.	Piper	Schoenfeld	Thiede	Wigley
Nelson, K.	Price	Schreiber	Tomlinson	Wynia
Neuenschwander	Quinn	Seaberg	Tunheim	Zaffke
Norton	Quist	Segal	Uphus	Speaker Sieben
O'Connor	Redalen	Shaver	Valan	
Ogren	Reif	Shea	Valento	
Olsen	Rodosovich	Sherman	Vanasek	
Omann	Rodriguez, C.	Simoneau	Vellenga	

The bill was passed and its title agreed to.

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.

The bill was read for the third 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 20 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Elioff	Larsen	Piepho	Solberg
Anderson, G.	Ellingson	Long	Piper	Sparby
Anderson, R.	Erickson	Mann	Price	Stadum
Battaglia	Evans	Marsh	Quinn	Staten
Beard	Findlay	McEachern	Redalen	Sviggum
Begich	Fjoslien	McKasy	Reif	Swanson
Bergstrom	Graba	Metzen	Rice	Tomlinson
Bishop	Greenfield	Munger	Riveness	Tunheim
Blatz	Gruenes	Murphy	Rodosovich	Uphus
Brandl	Gustafson	Nelson, D.	Rodriguez, C.	Valan
Brinkman	Gutknecht	Nelson, K.	Rodriguez, F.	Vanasek
Carlson, D.	Halberg	Neuenschwander	St. Onge	Waltman
Carlson, L.	Hoffman	Norton	Scheid	Welch
Clark, J.	Jacobs	O'Connor	Schoenfeld	Welle
Clark, K.	Jensen	Ogren	Schreiber	Wenzel
Clawson	Kahn	Olsen	Seaberg	Wynia
Cohen	Kelly	Omann	Segal	Speaker Sieben
Coleman	Knickerbocker	Onnen	Shaver	
Dempsey	Kostohryz	Otis	Shea	
Dimler	Krueger	Pauly	Sherman	
Eken	Kvam	Peterson	Simoneau	

Those who voted in the negative were:

Boo	Frerichs	Johnson	Quist	Valento
Burger	Haukoos	Ludeman	Schafer	Voss
DenOuden	Hokr	McDonald	Skoglund	Welker
Forsythe	Jennings	Osthoff	Thiede	Zafike

The bill was passed and its title agreed to.

H. F. No. 966 which was temporarily laid over earlier today was again reported to the House.

Neuenschwander moved to amend H. F. No. 966, the first engrossment, as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 297A.01, subdivision 15, is amended to read:

Subd. 15. "Farm machinery" means new or used machinery, equipment, implements, accessories and contrivances used directly and principally in the production for sale, but not including the processing, of livestock, dairy animals, dairy products, poultry and poultry products, fruits, vegetables, forage, grains and bees and apiary products. "Farm machinery" shall include machinery for the preparation, seeding or cultivation of soil for growing agricultural crops, harvesting and threshing of agricultural products, and certain machinery for dairy, livestock and poultry farms, together with barn cleaners, milking systems, grain dryers, automatic feeding systems and similar installations. Irrigation equipment sold for exclusively agricultural use, including pumps, pipe fittings, valves, sprinklers and other equipment necessary to the operation of an irrigation system when sold as part of an irrigation system, except irrigation equipment which is situated below ground and considered to be a part of the real property, shall be included in the definition of farm machinery. *Logging equipment, except chain saws, shall be included in the definition of farm machinery.* Repair or replacement parts for farm machinery shall not be included in the definition of farm machinery.

Tools, shop equipment, grain bins, feed bunks, fencing material, communication equipment and other farm supplies shall not be considered to be farm machinery. "Farm machinery" does not include motor vehicles taxed under chapter 297B, snowmobiles, snow blowers, lawn mowers, garden-type tractors or garden tillers and the repair and replacement parts for those vehicles and machines.

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective for sales made after June 30, 1984."

Further delete the title and insert:

"A bill for an act relating to taxation; sales; including logging equipment in the definition of farm machinery; amending Minnesota Statutes 1982, section 297A.01, subdivision 15."

Valan moved to amend the Neuenschwander amendment to H. F. No. 966, the first engrossment, as follows:

Page 2 of the Neuenschwander amendment, after line 10, insert:

"Sec. 2. 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 all materials, including chemicals, fuels, petroleum products, lubricants, packaging materials, including returnable containers used in packaging food and beverage products, feeds, seeds, fertilizers, electricity, gas and steam, used or consumed in agricultural or industrial production of personal property intended to be sold ultimately at retail, whether or not the item so used becomes an ingredient or constituent part of the property produced. Such production shall include, but is not limited to, research, development, design or production of any tangible personal property, manufacturing, processing (other than by restaurants and consumers) of agricultural products whether vegetable or animal, commercial fishing, refining, smelting, reducing, brewing, distilling, printing, mining, quarrying, lumbering, generating electricity and the production of road building materials. Such production shall not include painting, cleaning, repairing or similar processing of property except as part of the original manufacturing process. Machinery, equipment, implements, tools, accessories, appliances, contrivances, furniture and fixtures, used in such production and fuel, electricity, gas or steam used for space heating or lighting, are not included within this exemption; however, accessory tools, equipment and other short lived items, which are separate detachable units used in producing a direct effect upon the product, where such items have an ordinary useful life of less than 12 months, are included within the exemption provided herein;

(i) The gross receipts from the sale of and storage, use or other consumption in Minnesota of tangible personal property

(except as provided in section 297A.14) which is used or consumed in producing any publication regularly issued at average intervals not exceeding three months, and any such publication. For purposes of this subsection, "publication" as used herein shall include, without limiting the foregoing, a legal newspaper as defined by Minnesota Statutes 1965, section 331.02, and any supplements or enclosures with or part of said newspaper; and the gross receipts of any advertising contained therein or therewith shall be exempt. For this purpose, advertising in any such publication shall be deemed to be a service and not tangible personal property, and persons or their agents who publish or sell such newspapers shall be deemed to be engaging in a service with respect to gross receipts realized from such newsgathering or publishing activities by them, including the sale of advertising. 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 taconite, the material of which primarily is added to and becomes a part of the material being processed.

(p) The gross receipts from the sale of tangible personal property to, and the storage, use or other consumption of such property by, any corporation, society, association, foundation, or institution organized and operated exclusively for charitable, religious or educational purposes if the property purchased is to be used in the performance of charitable, religious or educational functions, or any senior citizen group or association of groups that in general limits membership to persons age 55 or older and is organized and operated exclusively for pleasure, recreation and other nonprofit purposes, no part of the net earnings

of which inures to the benefit of any private shareholders. 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 mer-

chandise or services, which material is purchased and stored for the purpose of subsequently shipping or otherwise transferring outside the state by the purchaser for use thereafter solely outside the state of Minnesota.

(w) The gross receipt from the sale of residential heating fuels in the following manner:

(i) all fuel oil, coal, wood, steam, propane gas, and L.P. gas sold to residential customers for residential use;

(ii) natural gas sold for residential use to customers who are metered and billed as residential users and who use natural gas for their primary source of residential heat, for the billing months of November, December, January, February, March and April;

(iii) electricity sold for residential use to customers who are metered and billed as residential users and who use electricity for their primary source of residential heat, for the billing months of November, December, January, February, March and April.

(x) The gross receipts from the sale or use of tickets or admissions to the premises of or events sponsored by an association, corporation or other group of persons which provides an opportunity for citizens of the state to participate in the creation, performance or appreciation of the arts and which qualifies as a tax-exempt organization within the meaning of 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 or exchange of gold, silver, bullion, and other precious metals if purchased, sold or otherwise acquired solely for investment purposes by a customer*

or client of a registered securities broker-dealer licensed under chapter 80A."

Re-number remaining section

Page 2 of the Neuenschwander amendment, line 12, delete "Section 1 is" and insert "Sections 1 and 2 are"

Further amend the title:

Page 2 of the Neuenschwander amendment, line 15, after the semicolon, insert "exempting gold and silver bullion;"

Page 2 of the Neuenschwander amendment, line 17, delete the period and insert "; and Minnesota Statutes 1983 Supplement, section 297A.25, subdivision 1."

A roll call was requested and properly seconded.

The question was taken on the amendment to the amendment and the roll was called. There were 80 yeas and 49 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Evans	Johnson	Omann	Segal
Anderson, G.	Findlay	Knickerbocker	Onnen	Shaver
Anderson, R.	Fjoslien	Knuth	Pauly	Sherman
Beard	Forsythe	Krueger	Piepho	Stadum
Bennett	Frerichs	Kvam	Price	Sviggum
Bishop	Graba	Larsen	Quist	Thiede
Blatz	Gruenes	Long	Redalen	Tomlinson
Boo	Gutknecht	Ludeman	Reif	Tunheim
Brinkman	Halberg	Mann	Rice	Uphus
Burger	Haukoos	Marsh	Rodosovich	Valan
Carlson, D.	Heap	McDonald	Rodriguez, C.	Valento
Coleman	Heinitz	McKasy	Rose	Waltman
Dempsey	Himle	Munger	Schafer	Weiker
DenOuden	Hoffman	Nelson, D.	Schoenfeld	Wenzel
Dimler	Hokr	Neuenschwander	Schreiber	Wigley
Erickson	Jennings	Olsen	Seaberg	Zaffke

Those who voted in the negative were:

Battaglia	Elioff	Metzen	Piper	Staten
Begich	Ellingson	Minne	Quinn	Swanson
Bergstrom	Greenfield	Murphy	Riveness	Vanasek
Brandl	Gustafson	Nelson, K.	Rodriguez, F.	Vellenga
Carlson, L.	Jacobs	Norton	St. Onge	Yoss
Clark, J.	Jensen	O'Connor	Sarna	Welch
Clark, K.	Kahn	Ogren	Scheid	Welle
Clawson	Kelly	Osthoff	Simoneau	Wynia
Cohen	Kostohryz	Otis	Skoglund	Speaker Sieben
Eken	McEachern	Peterson	Soiberg	

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

The question recurred on the Neuenschwander amendment, as amended, to H. F. No. 966, the first engrossment. The motion prevailed and the amendment, as amended, was adopted.

Vellenga was excused between the hours of 2:45 p.m. and 4:30 p.m.

H. F. No. 966, A bill for an act relating to taxation; sales; including logging equipment in the definition of farm machinery; exempting gold and silver bullion; amending Minnesota Statutes 1982, section 297A.01, subdivision 15; and Minnesota Statutes 1983 Supplement, section 297A.25, subdivision 1.

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

The question was taken on the passage of the bill and the roll was called. There were 116 yeas and 9 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Erickson	Kostohryz	Peterson	Simoneau
Anderson, G.	Evans	Krueger	Piepho	Solberg
Anderson, R.	Findlay	Kvam	Piper	Stadum
Battaglia	Fjoslien	Larsen	Price	Sviggum
Beard	Forsythe	Long	Quinn	Swanson
Begich	Frerichs	Ludeman	Quist	Thiede
Bennett	Graba	Mann	Redalen	Tomlinson
Bergstrom	Gruenes	Marsh	Reif	Tunheim
Bishop	Gustafson	McDonald	Rice	Uphus
Blatz	Gutknecht	McEachern	Riveness	Valan
Boo	Halberg	McKasy	Rodosovich	Valento
Brinkman	Haukoos	Metzen	Rodriguez, C.	Vanasek
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	Welle
Clawson	Hokr	Nelson, K.	Schafer	Wenzel
Cohen	Jacobs	Neuenschwander	Schoenfeld	Wigley
Coleman	Jennings	Norton	Schreiber	Zaffke
Dempsey	Jensen	Ogren	Seaberg	Speaker Sieben
DenOuden	Johnson	Olsen	Segal	
Dimler	Kahn	Omann	Shaver	
Eken	Knickerbocker	Onnen	Shea	
Elioff	Knuth	Pauly	Sherman	

Those who voted in the negative were:

Brandl	Greenfield	O'Connor	Scheid	Staten
Clark, K.	Kelly	Osthoff	Skoglund	

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

H. F. No. 1588 was reported to the House.

Sviggum moved to amend H. F. No. 1588, the second engrossment, as follows:

Page 6, line 13, after the second comma, insert "or"

Page 6, line 13, after "rehabilitation" strike ", or other"

Page 6, line 14, delete the new language

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

The Speaker resumed the Chair.

H. F. No. 1588, A bill for an act relating to public welfare; clarifying eligibility requirements for the state general assistance program; reducing certain appropriations; amending Minnesota Statutes 1982, sections 256D.02, subdivisions 6 and 8, and by adding a subdivision; 256D.06, subdivision 3; and 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 third 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	Krueger	Peterson	Solberg
Anderson, G.	Erickson	Kvam	Piepho	Sparby
Anderson, R.	Findlay	Larsen	Piper	Stadum
Battaglia	Fjoslien	Long	Price	Staten
Beard	Forsythe	Ludeman	Quinn	Sviggum
Begich	Graba	Mann	Quist	Swanson
Bennett	Greenfield	Marsh	Redalen	Thiede
Bergstrom	Cruenes	McDonald	Reif	Tunheim
Bishop	Gustafson	McEachern	Riveness	Uphus
Blatz	Gutknecht	McKasy	Rodosovich	Valan
Boo	Halberg	Metzen	Rodriguez, C.	Valento
Brandl	Haukoos	Minne	Rodriguez, F.	Vanasek
Brinkman	Heap	Munger	Rose	Voss
Burger	Heinitz	Murphy	St. Onge	Waltman
Carlson, D.	Himle	Nelson, D.	Sarna	Welch
Carlson, L.	Hoffman	Nelson, K.	Schafer	Welker
Clark, J.	Hokr	Neuenschwander	Scheid	Welle
Clark, K.	Jacobs	Norton	Schoenfeld	Wenzel
Clawson	Jennings	O'Connor	Schreiber	Wigley
Cohen	Jensen	Ogren	Seaberg	Wynia
Coleman	Johnson	Olsen	Segal	Zaffke
Dempsey	Kahn	Omann	Shaver	Speaker Sieben
DenOuden	Kelly	Onnen	Shea	
Dimler	Knickerbocker	Osthoff	Sherman	
Eken	Knuth	Otis	Simoneau	
Elioff	Kostohryz	Pauly	Skoglund	

The bill was passed and its title agreed to.

H. F. No. 1678 was reported to the House.

Erickson moved to amend H. F. No. 1678, the third engrossment, as follows:

Page 56, after line 30, add a section to read as follows:

"Sec. 57. Minnesota Statutes 1982, section 67A.241, subdivision 2, is amended to read:

Subd. 2. [EXTERNAL EXAMINATION OF COMPANY RECORDS AND ACCOUNTS.] (a) The board of directors of every township mutual insurance company shall, at least once every three years, cause the records and accounts of the company to be examined by an independent public accountant, auditor, or person who has been certified by the society of financial examiners. The examination shall cover the financial and business affairs including the treatment of members and claimants of the company during the previous three years ending December 31.

(b) A written summary report of the pertinent results of the examination shall immediately be filed with each member of the board of directors following completion of the examination. A complete examination report shall be filed with the board of directors and the commissioner within 60 days following completion of the examination.

(c) The accountant, auditor, or certified financial examiner conducting or supervising the examination must have a minimum of five years' experience in public accounting or examining the financial records or statements of financial institutions and shall not be an officer (,) or employee (, OR MEMBER) of the company being examined. The examiner must not be directly involved in maintaining the records being examined, but may advise or counsel management in recordkeeping, accounting, or management procedures."

Renumber the sections accordingly.

Correct internal references.

Amend the title as follows:

Page 2, line 4, after the semicolon insert "67A.241, subdivision 2;"

The motion prevailed and the amendment was adopted.

Skoglund moved to amend H. F. No. 1678; the third engrossment, as amended, as follows:

Page 4, line 7, after the word "statements" insert "*, but the fee shall not be more than 50 percent greater than the fee set*

by the National Association of Insurance Commissioners on January 1, 1984"

Page 42, line 8, after the period insert *"In making a determination under this section, the commissioner may require the insurer to provide rates and advertising materials related to policies issued or delivered in this state."*

Page 66, line 27, delete the new language and reinstate the stricken "13"

Page 66, line 28, delete *"including,"* strike "the commissioners of"

Page 66, line 28, delete *"commerce"* and strike "and labor and"

Page 66, line 29, strike "industry"

The motion prevailed and the amendment was adopted.

H. F. No. 1678, as amended, was read for the third time.

MOTION FOR RECONSIDERATION

Swanson moved that the action whereby H. F. No. 1678, as amended, was given its third reading be now reconsidered. The motion prevailed.

Swanson moved to amend H. F. No. 1678, the third engrossment, as amended, as follows:

Pages 43 and 44, delete sections 43 and 44

Amend the title as follows:

Page 2, line 1, delete "62E.14, subdivision 1; 62E.15, subdivision 3;"

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

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; providing for the approval of certain life insurance policies by the commissioner; 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; describing certain requirements for enrollment in the comprehensive health insurance plan; increasing the agents referral fee under the comprehensive health insurance plan; 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; clarifying the powers of the commissioner regarding audits of the compensation 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, subdivisions 4 and 8; 60A.199; 60A.21, subdivision 2; 60A.23, subdivision 5; 61A.02; 61A.03, by adding a subdivision; 62A.025; 62E.14, subdivision 1; 62E.15, subdivision 3; 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; 67A.241, subdivision 2; 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; 79.39; 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, subdivision 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, chapters 60A and 61A; repealing Minnesota Statutes 1982, sections 65B.15, subdivision 3; 65B.48, subdivision 8; and 69.031, subdivision 6.

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

The question was taken on the passage of the bill and the roll was called. There were 126 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	Long	Price	Staten
Beard	Forsythe	Ludeman	Quinn	Sviggum
Begich	Frerichs	Mann	Quist	Swanson
Bennett	Graba	Marsh	Redalen	Thiede
Bergstrom	Greenfield	McDonald	Reif	Tomlinson
Bishop	Gruenes	McEachern	Rice	Tunheim
Blatz	Gustafson	McKasy	Riveness	Uphus
Boo	Gutknecht	Metzen	Rodosovich	Valan
Brandl	Haukoos	Minne	Rodriguez, C.	Valento
Brinkman	Heap	Munger	Rodriguez, F.	Vanasek
Burger	Heinitz	Murphy	Rose	Voss
Carlson, D.	Himle	Nelson, D.	St. Onge	Waltman
Carlson, L.	Hoffman	Nelson, K.	Sarna	Welch
Clark, J.	Hokr	Neuenschwander	Schafer	Welker
Clark, K.	Jacobs	Norton	Scheid	Welle
Clawson	Jennings	O'Connor	Schoenfeld	Wenzel
Cohen	Jensen	Ogren	Schreiber	Wigley
Coleman	Johnson	Olsen	Seaberg	Zaffke
Dempsey	Kahn	Omann	Segal	Speaker Sieben
DenOuden	Kelly	Onnen	Shaver	
Eken	Knickerbocker	Osthoff	Sherman	
Elioff	Knuth	Otis	Simoneau	
Ellingson	Kostohryz	Pauly	Skoglund	

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

H. F. No. 1237, 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; 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 123 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Clark, K.	Greenfield	Knuth	O'Connor
Anderson, C.	Clawson	Gruenes	Krueger	Ogren
Anderson, R.	Cohen	Gustafson	Larsen	Olsen
Battaglia	Coleman	Gutknecht	Long	Omann
Beard	Dempsey	Halberg	Ludeman	Onnen
Begich	DenOuden	Haukoos	Mann	Osthoff
Bennett	Dimler	Heap	Marsh	Otis
Bergstrom	Eken	Heinitz	McDonald	Pauly
Bishop	Elioff	Himle	McEachern	Peterson
Blatz	Ellingson	Hoffman	McKasy	Piepho
Boo	Erickson	Jacobs	Metzen	Piper
Brandl	Evans	Jennings	Munger	Price
Brinkman	Findlay	Jensen	Murphy	Quinn
Burger	Fjoslien	Johnson	Nelson, D.	Quist
Carlson, D.	Forsythe	Kahn	Nelson, K.	Redalen
Carlson, L.	Frerichs	Kelly	Neuenschwander	Reif
Clark, J.	Graba	Knickerbocker	Norton	Rice

Riveness	Scheid	Simoneau	Tunheim	Welker
Rodosovich	Schoenfeld	Skoglund	Uphus	Welle
Rodriguez, C.	Schreiber	Solberg	Valan	Wenzel
Rodriguez, F.	Seaberg	Sparby	Valento	Wigley
Rose	Segal	Stadum	Vanasek	Zaffke
St. Onge	Shaver	Sviggum	Voss	Speaker Sieben
Sarna	Shea	Swanson	Waltman	
Schafer	Sherman	Thiede	Welch	

The bill was passed and its title agreed to.

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; 116.18, subdivisions 2 and 4, and by adding subdivisions; Minnesota Statutes 1983 Supplement, section 116.18, subdivision 1; repealing Minnesota Statutes 1982, section 116.16, subdivisions 6 and 7.

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

The question was taken on the passage of the bill and the roll was called. There were 122 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

Erickson was excused while in conference.

H. F. No. 49, 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.

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

The question was taken on the passage of the bill and the roll was called. There were 88 yeas and 15 nays as follows:

Those who voted in the affirmative were:

Battaglia	Graba	Larsen	Piper	Simoneau
Beard	Greenfield	Mann	Price	Skoglund
Bergström	Gruenes	McKasy	Quinn	Sparby
Blatz	Gustafson	Minne	Reif	Staten
Boo	Gutknecht	Murphy	Rice	Swanson
Brändl	Halberg	Nelson, D.	Riveness	Tomlinson
Burger	Heap	Nelson, K.	Rodosovich	Tunheim
Carlson, L.	Himle	Neuenschwander	Rodriguez, F.	Uphus
Clark, J.	Hoffman	Norton	St. Onge	Vanasek
Clark, K.	Hökr	O'Connor	Sarna	Voss
Clawson	Jacobs	Ogren	Scheid	Waltman
Cohen	Jensen	Olsen	Schoenfeld	Welle
Coleman	Kahn	Omann	Schreiber	Wenzel
Eken	Kelly	Onnen	Seaberg	Wynia
Elioff	Knickerbocker	Osthoff	Segal	Zaffke
Ellingson	Knuth	Otis	Shaver	Speaker Sichen
Evans	Kostohryz	Pauly	Shea	
Forsythe	Krueger	Peterson	Sherman	

Those who voted in the negative were:

Dempsey	Fjoslien	Jennings	Piepho	Thiede
DenOuden	Frerichs	Ludeman	Schafer	Welker
Findlay	Haukoos	Marsh	Stadum	Wigley

The bill was passed and its title agreed to.

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 third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 111 yeas and 7 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Fjoslien	Mann	Piper	Sparby
Anderson, G.	Forsythe	Marsh	Price	Stadum
Anderson, R.	Frerichs	McDonald	Quinn	Swanson
Battaglia	Graba	McEachern	Quist	Thiede
Beard	Grunes	McKasy	Reif	Tunheim
Begich	Gustafson	Metzen	Rice	Uphus
Bennett	Gutknecht	Minne	Rodosovich	Valan
Bergstrom	Halberg	Munger	Rodriguez, C.	Valente
Bishop	Haukoos	Murphy	Rodriguez, F.	Vanasek
Blatz	Heap	Nelson, D.	Rose	Voss
Boo	Himle	Nelson, K.	St. Onge	Waltman
Burger	Hoffman	Neuenschwander	Sarna	Welch
Carlson, L.	Hokr	Norton	Schafer	Welker
Clawson	Jacobs	O'Connor	Schoenfeld	Welle
Cohen	Jennings	Ogren	Schreiber	Wenzel
Dempsey	Jensen	Olsen	Seaberg	Wigley
DenOuden	Johnson	Omann	Segal	Wynia
Dimler	Kahn	Onnen	Shaver	Zaffke
Eken	Knickerbocker	Osthoff	Shea	Speaker Sieben
Elioff	Kostohryz	Otis	Sherman	
Ellingson	Krueger	Pauly	Simoneau	
Evans	Larsen	Peterson	Skoglund	
Findlay	Ludeman	Piepho	Solberg	

Those who voted in the negative were:

Brandl	Clark, K.	Greenfield	Knuth	Staten
Clark, J.	Coleman			

The bill was passed and its title agreed to.

H. F. No. 1966 was reported to the House.

Greenfield moved to amend H. F. No. 1966, the second engrossment, as follows:

Page 27, line 30, after "23," insert "24,"

Page 27, line 36, delete everything after the first period.

The motion prevailed and the amendment was adopted.

Simoneau and Rodriguez, C., moved to amend H. F. No. 1966, the second engrossment, as amended, as follows:

Page 2, after line 25, insert:

"Sec. 2. [144.561] [RESTRICTION OF NAME AND DESCRIPTION OF CERTAIN MEDICAL FACILITIES.]

Subdivision 1. [DEFINITIONS.] For purposes of this section, the following words have the meanings given to them:

(a) "Person" means an individual, partnership, association, corporation, state, county or local governmental unit or a division, department, board or agency of a governmental unit.

(b) "Medical facility" means an institution, office, clinic, or building, not attached to a licensed hospital, where medical services for the diagnosis or treatment of illness or injury or the maintenance of health are offered in an outpatient or ambulatory setting.

Subd. 2. [PROHIBITION.] No person shall use the words "emergency," "emergent," "trauma," "critical," or any form of those words or any words which suggests, offers or implies the availability of immediate care for any medical condition likely to cause death, disability or serious illness in the name of any medical facilities, or in advertising, publications or signs identifying the medical facility unless the facility is licensed under the provisions of section 144.50."

Renumber the subsequent sections

Correct internal references

Amend the title as follows:

Page 1, line 4, after the semi-colon insert "restricting the use of certain descriptive words to certain licensed facilities;"

Page 1, line 34, after "chapters" insert "144;"

The motion prevailed and the amendment was adopted.

H. F. No. 1966, A bill for an act relating to public welfare; providing for the collection of statistical data by the department of health on dissolutions and annulments; restricting the use of certain descriptive words to certain licensed facilities; providing for collection of health care cost information; limiting relative responsibility for state hospital costs; 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 relating to asset transfers; increasing the personal needs allowance; allowing reimbursement for additional services under general assistance medical care; providing for recoupment of overpayments in the general assistance and supplemental aid programs; requiring county investigations; requiring a cost-of-living adjustment to the schedule of contribution of a noninstitutionalized spouse; appropriating money; amending Minnesota Statutes 1982, sections 144.224; 144.695; 144.696; 144.698; 144.699; 144.701; 144.702; 144.703; 246.50;

subdivision 6; 256.045, subdivisions 2, 4, 5, and 7; 256B.17, as amended; 256B.19, subdivision 1; 256B.35, subdivision 1; 256D.-06, by adding a subdivision; 261.035; Minnesota Statutes 1983 Supplement, sections 256.045, subdivision 3; 256.968; 256.969, subdivisions 2 and 6; and 256B.06, subdivision 1; 256D.03, subdivision 4; proposing new law coded in Minnesota Statutes, chapters 144; 256D and 518; repealing Minnesota Statutes 1982, sections 144.7021; 144.704; and 144.705.

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

The question was taken on the passage of the bill and the roll was called. There were 119 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

H. F. No. 1069, A bill for an act relating to federal block grants; providing for annual legislative hearings on federal block grant implementation and effects; proposing new law coded in Minnesota Statutes, chapter 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 118 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

H. F. No. 1264 was reported to the House.

Rodriguez, F., moved to amend H. F. No. 1264, the second engrossment, as follows:

Page 1, line 25, delete "*or chilled water for cooling*" and insert "*that exceed 30 p.s.i. gage and 250 degrees Fahrenheit*"

Page 2, line 29, after "*with*" insert "*minimum*"

Page 3, line 5, delete "*cities of the first class*" and insert "*municipalities*"

The motion prevailed and the amendment was adopted.

H. F. No. 1264, A bill for an act relating to commerce; regulating pipefitters and pipefitting; 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.

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 86 yeas and 24 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Ellingson	Larsen	Osthoff	Shea
Anderson, R.	Forsythe	Mann	Otis	Sherman
Battaglia	Graba	Marsh	Pauly	Simoneau
Beard	Greenfield	McEachern	Peterson	Skoglund
Begich	Gruenes	McKasy	Piper	Staten
Bennett	Gustafson	Metzen	Price	Swanson
Bergstrom	Gutknecht	Minne	Quinn	Tomlinson
Bishop	Halberg	Munger	Rice	Tunheim
Brandl	Heap	Murphy	Rodosovich	Valan
Brinkman	Hoffman	Nelson, D.	Rodriguez, C.	Voss
Carlson, L.	Jacobs	Nelson, K.	Rodriguez, F.	Welle
Clark, J.	Jensen	Neuenschwander	Rose	Wenzel
Clark, K.	Kahn	Norton	St. Onge	Wynia
Clawson	Kelly	O'Connor	Sarna	Speaker Sieben
Cohen	Knickerbocker	Ogren	Scheid	
Coleman	Knuth	Olsen	Schoenfeld	
Dimler	Kostohryz	Omann	Seaberg	
Elioff	Krueger	Onnen	Segal	

Those who voted in the negative were:

Burger	Fjoslien	Johnson	Reif	Valente
Dempsey	Frerichs	Kvam	Schafer	Waltman
DenOuden	Haukoos	Ludeman	Sviggum	Welker
Evans	Himle	McDonald	Thiede	Zaffke
Findlay	Jennings	Quist	Uphus	

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

H. F. No. 1689 was reported to the House.

Anderson, G., moved to amend H. F. No. 1689, the first engrossment, as follows:

Page 1, line 14, delete "South Dakota" insert "a state which borders Minnesota"

Page 1, line 16, delete "South Dakota" insert "non-"

Page 1, line 18, delete "South Dakota" insert "non-"

Page 2, line 10, delete "South Dakota" insert "all bordering states"

Page 2, line 14, delete "South Dakota" insert "that state"

Amend the title as follows:

Page 1, line 3, delete "South Dakota" insert "certain non-"

The motion prevailed and the amendment was adopted.

H. F. No. 1689, A bill for an act relating to vocational-technical education; permitting certain non-residents to attend Min-

nesota postsecondary vocational-technical schools at Minnesota resident tuition rates; authorizing the governor to renegotiate an interstate tuition reciprocity agreement; amending Minnesota Statutes 1982, section 124.565, subdivision 4, and by adding a subdivision.

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

The question was taken on the passage of the bill and the roll was called. There were 116 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

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 safety certificates of youthful operators; prescribing penalties; appropriating funds; proposing new law coded in Minnesota Statutes, chapter 84.

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

The question was taken on the passage of the bill and the roll was called. There were 73 yeas and 42 nays as follows:

Those who voted in the affirmative were:

Battaglia	Bennett	Brinkman	Clark, K.	Coleman
Beard	Bergstrom	Carlson, L.	Clawson	Eken
Begich	Brandl	Clark, J.	Cohen	Elioff

Evans	Larsen	Osthoff	Rose	Thiede
Forsythe	Long	Otis	Schoenfeld	Tomlinson
Greenfield	Mann	Pauly	Schreiber	Valento
Gustafson	McKasy	Peterson	Segal	Vanasek
Gutknecht	Minne	Piper	Shaver	Voss
Hoffman	Munger	Price	Shea	Welch
Jensen	Murphy	Reif	Simoneau	Welle
Kahn	Nelson, D.	Rice	Skoglund	Wenzel
Kelly	Neuenschwander	Riveness	Solberg	Wynia
Knickerbocker	Norton	Rodosovich	Sparby	Speaker Sieben
Knuth	Ogren	Rodriguez, C.	Staten	
Kostohryz	Oisen	Rodriguez, F.	Swanson	

Those who voted in the negative were:

Anderson, G.	Frerichs	Kalis	Piepho	Tunheim
Anderson, R.	Graba	Krueger	Quinn	Uphus
Boo	Gruenes	Kvam	Quist	Waltman
Burger	Halberg	Ludeman	St. Onge	Welker
Dempsey	Haukoos	Marsh	Sarna	Wigley
DenOuden	Himle	McDonald	Schafer	Zaffke
Dimler	Jacobs	O'Connor	Seaberg	
Findlay	Jennings	Omann	Sherman	
Fjoslien	Johnson	Onnen	Svigum	

The bill was passed and its title agreed to.

ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 2317:

Rice; Wynia; Carlson, L.; Kahn and Anderson, R.

CONSIDERATION UNDER RULE 1.10

Pursuant to rule 1.10, Rice requested immediate consideration of H. F. Nos. 1402 and 1315; S. F. No. 1526; H. F. Nos. 1427, 1711, 1842, 1577, 1857, 1524; S. F. No. 1760; and H. F. Nos. 688 and 2051.

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

The bill was passed and its title agreed to.

H. F. No. 1315 was reported to the House.

Ludeman moved to amend H. F. No. 1315, the second engrossment, as follows:

Page 4, strike lines 16 to 22

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 54 yeas and 58 nays as follows:

Those who voted in the affirmative were:

Beard	Frerichs	Krueger	Pauly	Sviggum
Bishop	Graba	Kvam	Piepho	Thiede
Boo	Gruenes	Ludeman	Quinn	Tunheim
Brinkman	Gutknecht	Marsh	Quist	Uphus
Burger	Halberg	McDonald	Schafer	Valan
DenOuden	Haukoos	McKasy	Schoenfeld	Waltman
Dimler	Himle	Minne	Schreiber	Welker
Erickson	Jennings	O'Connor	Seaberg	Wenzel
Evans	Johnson	Olsen	Shaver	Wigley
Findlay	Knickerbocker	Omann	Sherman	Zaffke
Fjoslien	Kostohryz	Onnen	Stadum	

Those who voted in the negative were:

Anderson, B.	Coleman	Long	Piper	Sparby
Anderson, G.	Dempsey	Mann	Price	Swanson
Battaglia	Eken	Metzen	Rice	Valento
Begich	Elioff	Munger	Riveness	Vanasek
Bennett	Forsythe	Murphy	Rodosovich	Vellenga
Bergstrom	Greenfield	Nelson, D.	Rodriguez, C.	Voss
Brandl	Gustafson	Nelson, K.	Rose	Welch
Carlson, L.	Hoffman	Neuenschwander	St. Onge	Welle
Clark, J.	Kahn	Norton	Segal	Wynia
Clark, K.	Kelly	Ogren	Simoneau	Speaker Sieben
Clawson	Knuth	Otis	Skoglund	
Cohen	Larsen	Peterson	Solberg	

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

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; increasing the bicycle registration fee; 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 as the advisory committee on bicycling; appropriating money; amending Minnesota Statutes 1982, sections 168C.04; 168C.11; Laws 1976, chapter 199, section 14, subdivision 1.

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

The question was taken on the passage of the bill and the roll was called. There were 56 yeas and 62 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Cohen	Larsen	Piper	Simoneau
Anderson, G.	Coleman	Long	Price	Skoglund
Anderson, R.	Dempsey	Mann	Reif	Sparby
Battaglia	Elioff	Munger	Rice	Swanson
Beard	Evans	Murphy	Riveness	Vanasek
Bennett	Forsythe	Nelson, D.	Rodosovich	Vellenga
Bergstrom	Greenfield	Nelson, K.	Rodriguez, C.	Voss
Brandl	Hoffman	Neuenschwander	Rodriguez, F.	Welch
Carlson, L.	Jensen	Norton	Schoenfeld	Welle
Clark, J.	Kahn	Otis	Segal	Wynia
Clark, K.	Knuth	Peterson	Shaver	Speaker Sieben
Clawson				

Those who voted in the negative were:

Begich	Brinkman	Eken	Frerichs	Halberg
Bishop	Burger	Erickson	Graba	Haukoos
Blatz	DenOuden	Findlay	Gruenes	Heap
Boo	Dimler	Fjoslien	Gutknecht	Himle

Hokr	McDonald	Onnen	Seaberg	Valento
Jacobs	McEachern	Pauly	Shea	Waltman
Jennings	McKasy	Piepho	Sherman	Welker
Johnson	Metzen	Quinn	Stadum	Wenzel
Knickerbocker	Minne	Quist	Sviggum	Wigley
Krueger	O'Connor	Rose	Thiede	Zaffke
Kvam	Ogren	St. Onge	Tunheim	
Ludeman	Olsen	Schafer	Uphus	
Marsh	Omann	Schreiber	Valan	

The bill was not passed.

The Speaker called Wynia to the Chair.

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 third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 75 yeas and 45 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Ellingson	McEachern	Price	Skoglund
Battaglia	Graba	Metzen	Quinn	Solberg
Beard	Greenfield	Minne	Rice	Sparby
Begich	Gustafson	Munger	Rivness	Staten
Bergstrom	Hoffman	Murphy	Rodosovich	Sviggum
Brandl	Jacobs	Nelson, D.	Rodriguez, F.	Swanson
Brinkman	Jensen	Nelson, K.	Rose	Tomlinson
Carlson, L.	Kahn	Neuenschwander	St. Onge	Tunheim
Clark, J.	Kelly	Norton	Sarna	Vanasek
Clark, K.	Knuth	O'Connor	Scheid	Vellenga
Clawson	Kostohryz	Ogren	Schoenfeld	Voss
Cohen	Krueger	Osthoff	Segal	Welle
Coleman	Larsen	Otis	Shea	Wenzel
Eken	Long	Peterson	Sherman	Wynia
Elioff	Mann	Piper	Simoneau	Speaker Sieben

Those who voted in the negative were:

Anderson, R.	Evans	Jennings	Omann	Stadum
Bennett	Findlay	Johnson	Pauly	Thiede
Blatz	Frerichs	Knickerbocker	Piepho	Uphus
Boo	Gutknecht	Kvam	Quist	Valan
Burger	Halberg	Levi	Reif	Valento
Dempsey	Haukoos	Ludeman	Schafer	Waltman
DenOuden	Heinitz	Marsh	Schreiber	Welker
Dimier	Himle	McDonald	Seaberg	Wigley
Erickson	Hokr	Olsen	Shaver	Zaffke

The bill was passed and its title agreed to.

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

H. F. No. 1427 was reported to the House.

Himle offered an amendment to H. F. No. 1427.

POINT OF ORDER

Sarna raised a point of order pursuant to rule 3.9 that the amendment was not in order. The Speaker Pro tem Wynia ruled the point of order well taken and the amendment out of order.

Himle appealed the decision of the Chair.

A roll call was requested and properly seconded.

CALL OF THE HOUSE

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

Anderson, B.	Frerichs	Long	Peterson	Solberg
Anderson, G.	Graba	Ludeman	Piepho	Sparby
Anderson, R.	Greenfield	Mann	Piper	Staten
Beard	Gruenes	McDonald	Price	Sviggum
Begich	Gustafson	McEachern	Quist	Swanson
Bergstrom	Halberg	McKasy	Reif	Thiede
Bishop	Haukoos	Metzen	Riveness	Tunheim
Blatz	Heap	Minne	Rodosovich	Uphus
Brandl	Heinitz	Munger	Rodriguez, C.	Valan
Brinkman	Himle	Murphy	Rodriguez, F.	Valento
Clark, J.	Hoffman	Nelson, D.	St. Onge	Vanasek
Clark, K.	Hokr	Nelson, K.	Sarna	Vellenga
Coleman	Jacobs	Neuenschwander	Schafer	Waltman
DenOuden	Jennings	Norton	Scheid	Welker
Dimler	Jensen	O'Connor	Schoenfeld	Welle
Elioff	Johnson	Ogren	Schreiber	Wigley
Ellingson	Kahn	Olsen	Segal	Wynia
Erickson	Knickerbocker	Omann	Shaver	Speaker Sieben
Evans	Kostohryz	Ommen	Shea	
Findlay	Krueger	Osthoff	Sherman	
Fjoslien	Kvam	Otis	Simoneau	
Forsythe	Levi	Pauly	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 vote was taken on the question "Shall the decision of Speaker Pro tem Wynia stand as the judgment of the House?" and the roll was called.

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

There were 76 yeas and 51 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Elioff	McEachern	Quinn	Staten
Anderson, G.	Ellingson	Metzen	Rice	Swanson
Anderson, R.	Graba	Minne	Riveness	Tomlinson
Battaglia	Greenfield	Munger	Rodosovich	Tunheim
Beard	Gustafson	Murphy	Rodriguez, C.	Vanasek
Begich	Hoffman	Nelson, D.	Rodriguez, F.	Vellenga
Bergstrom	Jacobs	Nelson, K.	St. Onge	Voss
Brandl	Jensen	Neuenschwander	Sarna	Welch
Brinkman	Kalis	Norton	Scheid	Welle
Carlson, L.	Kelly	O'Connor	Schoenfeld	Wenzel
Clark, J.	Knuth	Ogren	Segal	Wynia
Clark, K.	Kostohryz	Osthoff	Shea	Speaker Sieben
Clawson	Krueger	Otis	Simoneau	
Cohen	Larsen	Peterson	Skoglund	
Coleman	Long	Piper	Solberg	
Eken	Mann	Price	Sparby	

Those who voted in the negative were:

Bennett	Forsythe	Knickerbocker	Piepho	Uphus
Bishop	Frerichs	Kvam	Quist	Valan
Blatz	Gruenes	Levi	Redalen	Valento
Boo	Gutknecht	Ludeman	Reif	Waltman
Burger	Halberg	Marsh	Rose	Welker
Dempsey	Haukoos	McDonald	Schafer	Wigley
DenOuden	Heinitz	McKasy	Schreiber	Zaffke
Dimler	Himle	Olsen	Shaver	
Erickson	Hokr	Omann	Sherman	
Findlay	Jennings	Onnen	Sviggum	
Fjoslien	Johnson	Pauly	Thiede	

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

H. F. No. 1427, 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; amending Minnesota Statutes 1982, sections 3.082; 69.775; 352.113, subdivision 3; 352.95, subdivision 1a; 353.34, by adding a subdivision; 354.62, subdivision 2; 422A.18, subdivision 3; 424.24, subdivision 2; and 490.129; 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; 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.

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

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.

The Speaker resumed the Chair.

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 third 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 8 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Begich	Boo	Clark, K.	Dempsey
Anderson, G.	Bennett	Brandl	Clawson	DenOuden
Anderson, R.	Bishop	Burger	Cohen	Dimler
Beard	Blatz	Carlson, L.	Coleman	Eken

Elioff	Jacobs	Nelson, D.	Riveness	Swanson
Ellingson	Jennings	Nelson, K.	Rodosovich	Thiede
Erickson	Johnson	Neuenschwander	Rodriguez, F.	Tomlinson
Evans	Kelly	Norton	Rose	Tunheim
Findlay	Knickerbocker	Olsen	St. Onge	Uphus
Fjoslien	Kostohryz	Omann	Schafer	Valan
Forsythe	Krueger	Onnen	Schoenfeld	Valento
Frerichs	Kvam	Osthoff	Schreiber	Vanasek
Graba	Larsen	Otis	Seaberg	Voss
Greenfield	Levi	Pauly	Segal	Waltman
Gruenes	Long	Peterson	Shaver	Welch
Gustafson	Ludeman	Piepho	Shea	Welker
Gutknecht	Mann	Piper	Sherman	Wenzel
Halberg	Marsh	Price	Simoneau	Wigley
Haukoos	McDonald	Quinn	Skoglund	Wynia
Heap	Metzen	Quist	Solberg	Zaffke
Heinitz	Minne	Redalen	Sparby	Speaker Sieben
Himle	Munger	Reif	Staten	
Hokr	Murphy	Rice	Sviggum	

Those who voted in the negative were:

Brinkman	Hoffman	Knuth	Ogren	Welle
Clark, J.	Jensen	O'Connor		

The bill was passed and its title agreed to.

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

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 third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 74 yeas and 50 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Eken	Larsen	Otis	Skoglund
Anderson, G.	Elioff	Long	Peterson	Solberg
Anderson, R.	Ellingson	Mann	Piper	Sparby
Battaglia	Graba	McEachern	Price	Staten
Beard	Greenfield	Metzen	Quinn	Swanson
Begich	Gustafson	Minne	Rice	Tomlinson
Bergstrom	Hoffman	Munger	Riveness	Tunheim
Brandl	Jacobs	Murphy	Rodosovich	Vanasek
Brinkman	Jensen	Nelson, D.	Rodriguez, F.	Vellenga
Carlson, L.	Kahn	Nelson, K.	St. Onge	Voss
Clark, J.	Kalis	Neuenschwander	Sarna	Welch
Clark, K.	Kelly	Norton	Scheid	Welle
Clawson	Knuth	O'Connor	Schoenfeld	Wynia
Cohen	Kostohryz	Ogren	Shea	Speaker Sieben
Coleman	Krueger	Osthoff	Simoneau	

Those who voted in the negative were:

Bennett	Fjoslien	Hokr	Onnen	Sherman
Bishop	Forsythe	Jennings	Pauly	Sviggum
Blatz	Frerichs	Johnson	Piepho	Thiede
Boo	Gruenes	Knickerbocker	Quist	Uphus
Burger	Gutknecht	Kvam	Redalen	Valento
Dempsey	Halberg	Levi	Rose	Waltman
DenOuden	Haukoos	Ludeman	Schafer	Welker
Erickson	Heap	McDonald	Schreiber	Wenzel
Evans	Heinitz	Olsen	Seaberg	Wigley
Findlay	Himle	Omann	Shaver	Zeffke

The bill was passed and its title agreed to.

H. F. No. 1577 was reported to the House.

EXCUSED FROM VOTING

Pursuant to rule 2.5, Knuth requested that he be excused from voting on H. F. No. 1577 and all amendments offered to H. F. No. 1577. The request was granted.

Voss moved to amend H. F. No. 1577, the second engrossment, as follows:

Page 11, line 2, after "*waste*" delete ","

Page 11, delete line 3

Page 11, line 4, delete "*disposal of hazardous waste*"

Page 13, line 1, after "*services*" delete the balance of the line

Page 13, line 2, delete "*processing and disposal of hazardous waste,*"

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 70 yeas and 40 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Burger	Forsythe	Johnson	Marsh
Anderson, G.	Clawson	Frerichs	Kalis	McDonald
Battaglia	Coleman	Graba	Knickerbocker	McEachern
Begich	Dempsey	Gutknecht	Kostohryz	McKasy
Bennett	DenOuden	Heap	Krueger	Munger
Bergstrom	Dimler	Heinitz	Kvam	O'Connor
Bishop	Erickson	Hokr	Larsen	Ogren
Blatz	Findlay	Jacobs	Ludeman	Olsen
Brinkman	Fjoslien	Jensen	Mann	Omann

Peterson	Rose	Schreiber	Solberg	Voss
Quist	St. Onge	Seaberg	Sviggum	Waltman
Redalen	Sarna	Shaver	Uphus	Welker
Rice	Schafer	Shea	Valento	Wenzel
Rodosovich	Schoenfeld	Sherman	Vanasek	Zaffke

Those who voted in the negative were:

Anderson, R.	Elioff	Kelly	Onnen	Sparby
Beard	Ellingson	Levi	Otis	Swanson
Boo	Evans	Long	Piper	Tunheim
Brandl	Greenfield	Metzen	Riveness	Vellenga
Carlson, L.	Gruenes	Murphy	Rodriguez, F.	Welle
Clark, J.	Gustafson	Nelson, D.	Scheid	Wigley
Clark, K.	Hoffman	Nelson, K.	Simoneau	Wynia
Cohen	Kahn	Norton	Skoglund	Speaker Sieben

The motion prevailed and the amendment was adopted.

The Speaker called Wynia to the Chair.

Voss moved to amend H. F. No. 1577, the second engrossment, as amended, as follows:

Page 11, after line 21, insert "*governmental units or*"

Page 12, line 20, delete "\$50,000" and insert "\$200,000"

Page 12, line 27, after "*generators*" insert "*or a governmental unit*"

A roll call was requested and properly seconded.

CALL OF THE HOUSE

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

Anderson, B.	Dempsey	Haukoos	Krueger	Murphy
Anderson, G.	DenOuden	Heap	Kvam	Nelson, D.
Anderson, R.	Elioff	Heinitz	Larsen	Nelson, K.
Begich	Ellingson	Himle	Levi	Norton
Bennett	Erickson	Hoffman	Long	O'Connor
Bergstrom	Evans	Hokr	Ludeman	Ogren
Blatz	Findlay	Jacobs	Mann	Olsen
Boo	Fjoslien	Jennings	Marsh	Omann
Brandl	Forsythe	Jensen	McDonald	Onnen
Brinkman	Frerichs	Johnson	McEachern	Otis
Burger	Graba	Kahn	McKasy	Pauly
Clark, K.	Gruenes	Kalis	Metzen	Peterson
Cohen	Gutknecht	Knickerbocker	Minne	Piepho
Coleman	Halberg	Kostohryz	Munger	Piper

Price	St. Onge	Shea	Thiede	Welker
Quinn	Sarna	Sherman	Tunheim	Welle
Quist	Schafer	Simoneau	Uphus	Wenzel
Redalen	Scheid	Skoglund	Valento	Wigley
Reif	Schoenfeld	Sparby	Vanasek	Wynia
Rodosovich	Schreiber	Staten	Voss	Zaffke
Rodriguez, F.	Seaberg	Sviggum	Waltman	Speaker Sieben
Rose	Shaver	Swanson	Weich	

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 Voss amendment and the roll was called.

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

There were 30 yeas and 83 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Fjoslien	Jensen	Ogren	Schoenfeld
Anderson, G.	Graba	Krueger	Peterson	Shea
Anderson, R.	Heap	Mann	Price	Uphus
Bergstrom	Heinitz	McEachern	Quinn	Vanasek
Bishop	Hoffman	Munger	Rodosovich	Voss
Brinkman	Hokt	Murphy	Sarna	Wenzel

Those who voted in the negative were:

Beard	Ellingson	Knickerbocker	Osthoff	Staten
Begich	Erickson	Kostohryz	Otis	Sviggum
Bennett	Evans	Kvam	Piepho	Swanson
Blatz	Findlay	Larsen	Quist	Thiede
Boo	Forsythe	Levi	Redalen	Tunheim
Brandl	Freichs	Long	Reif	Valan
Burger	Greenfield	Ludeman	Rodriguez, F.	Valento
Carlson, L.	Gruenes	Marsh	Rose	Vellenga
Clark, J.	Gutknecht	McDonald	Schafer	Waltman
Clark, K.	Halberg	McKasy	Scheid	Welker
Clawson	Haukoos	Metzen	Schreiber	Welle
Cohen	Himle	Minne	Seaberg	Wigley
Coleman	Jacobs	Nelson, D.	Shaver	Wynia
Dempsey	Jennings	Nelson, K.	Sherman	Zaffke
DenOuden	Johnson	O'Connor	Simoneau	Speaker Sieben
Eken	Kahn	Olsen	Skoglund	
Elioff	Kelly	Onnen	Sparby	

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

Voss moved to amend H. F. No. 1577, the second engrossment, as amended, as follows:

Page 17, after line 8, insert a new section to read as follows:

"Sec. 15. [115A.17] [HAZARDOUS WASTE, FACILITY DEVELOPMENT.]

Notwithstanding any other law to the contrary on the effective date of this section, the waste management board shall suspend all activity under sections 115A.18 to 115A.30 relating to the selection and evaluation of locations for hazardous waste disposal until the report on the status of processing facilities required in this section has been presented to the legislature and the legislature has acted affirmatively to reinstate the disposal evaluation and siting process. After June 1, 1985 and before December 1, 1985 the waste management board shall prepare a status report on hazardous waste processing facilities indicating the amount and type of hazardous waste treatment residual and untreated material that is expected to require disposal."

Renumber the remaining sections

Correct internal references

Amend the title accordingly

A roll call was requested and properly seconded.

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

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 77 yeas and 37 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Fjoslien	Krueger	Peterson	Thiede
Battaglia	Forsythe	Kvam	Piepho	Tunheim
Begich	Frerichs	Larsen	Price	Uphus
Bennett	Gutknecht	Ludeman	Quinn	Valan
Bishop	Halberg	Mann	Quist	Valento
Blatz	Hankooos	McDonald	Redalen	Vanasek
Brinkman	Heap	McEachern	Reif	Voss
Clawson	Heinitz	McKasy	Riveness	Waltman
Coleman	Himle	Metzen	Rodosovich	Welch
Dempsey	Hokr	Minne	St. Onge	Welker
DenOuden	Jacobs	Norton	Sarna	Wenzel
Dimler	Jennings	O'Connor	Schafer	Wigley
Elioff	Jensen	Ogren	Sherman	Zaffke
Erickson	Johnson	Olsen	Solberg	
Evans	Kalis	Omman	Sparby	
Findlay	Kelly	Onnen	Sviggum	

Those who voted in the negative were:

Anderson, R.	Burger	Ellingson	Hoffman	Levi
Beard	Carlson, L.	Greenfield	Kahn	Long
Brandl	Clark, J.	Gruenes	Kostohryz	Marsh

Murphy	Piper	Scheid	Skoglund	Vellenga
Nelson, D.	Rice	Schreiber	Staten	Welle
Nelson, K.	Rodriguez, C.	Seaberg	Swanson	Wynia
Osthoff	Rodriguez, F.	Simoneau	Tomlinson	Speaker Sieben
Otis	Rose			

The motion prevailed and the amendment was adopted.

Pursuant to rule 1.10, Rice withdrew his request for immediate consideration of H. F. No. 1577, as amended.

CALL OF THE HOUSE LIFTED

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

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

The Speaker resumed the Chair.

H. F. No. 1857, A bill for an act relating to veterans; clarifying certain veteran benefit definitions to include veterans who have served in the Grenada campaign or with the peacekeeping forces in the Lebanon campaign; appropriating money; amending Minnesota Statutes 1982, sections 124.565, subdivision 7; 198.01; and 462A.05, subdivision 19.

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

The question was taken on the passage of the bill and the roll was called. There were 121 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Eken	Jensen	Murphy	Riveness
Anderson, G.	Elioff	Johnson	Nelson, D.	Rodosovich
Anderson, R.	Ellingson	Kahn	Nelson, K.	Rodriguez, C.
Battaglia	Erickson	Kalis	Neuenschwander	Rodriguez, F.
Beard	Evans	Kelly	Norton	Rose
Begich	Findlay	Knickerbocker	O'Connor	St. Onge
Bennett	Fjoslien	Knuuth	Ogren	Sarna
Bergstrom	Forsythe	Kostohryz	Olsen	Schafer
Bishop	Frerichs	Krueger	Omann	Schoenfeld
Blatz	Graba	Kvam	Onnen	Schreiber
Boo	Greenfield	Larsen	Otis	Seaberg
Brandl	Gruenes	Levi	Pauly	Shaver
Brinkman	Gutknecht	Ludeman	Peterson	Shea
Burger	Haukoos	Mann	Piepho	Sherman
Carlson, L.	Heap	Marsh	Piper	Simoneau
Clark, J.	Heinitz	McDonald	Price	Skoglund
Clawson	Himle	McEachern	Quinn	Solberg
Coleman	Hoffman	McKasy	Quist	Sparby
Dempsey	Hokr	Metzen	Redalen	Staten
DenOuden	Jacobs	Minne	Reif	Sviggum
Dimler	Jennings	Munger	Rice	Swanson

Thiede	Valan	Voss	Welker	Wynia
Tomlinson	Valento	Waltman	Wenzel	Zaffke
Tunheim	Vanasek	Weich	Wigley	Speaker Sieben
Uphus				

The bill was passed and its title agreed to.

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.

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

The question was taken on the passage of the bill and the roll was called. There were 118 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

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 third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 123 yeas and 1 nay as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Ludeman

The bill was passed and its title agreed to.

H. F. No. 688 was reported to the House.

Minne moved to amend H. F. No. 688, the second engrossment, as follows:

Page 1, line 18, delete "12" and insert "14"

Page 3, after line 32, insert:

"Sec. 5. Minnesota Statutes 1982, section 161.242, subdivision 3, is amended to read:

Subd. 3. [UNAUTHORIZED JUNK YARDS PROHIBITED.] ((1) NO) (a) A junk yard may *not* exist or be operated outside a zoned or unzoned industrial area, including those located on public lands (AND RESERVATIONS OF THE UNITED STATES), unless it (BE) is screened (SO AS) to effectively conceal it from the view of motorists using the highway. The screening required by this section may be effected by trees, shrubs, or foliage, natural objects, fences or other appropriate means as determined by standards established by the

commissioner. Plantings (WHICH) that will eventually achieve effective screening shall be acceptable. Plantings shall be used in connection with any fence or other non-natural screening device.

(2) ANY SUCH (b) A portion of a junk yard (OR PORTION THEREOF WHICH) that cannot be effectively (BE) screened (SHALL) must be removed or relocated (PURSUANT TO) under the provisions of this section (ON OR BEFORE JULY 1, 1979). (ANY SUCH) A junk yard lawfully existing (ON) along a highway (WHICH) that is made a part of the trunk highway system after January 1, 1975, and becomes nonconforming thereby shall be effectively screened or removed or relocated within four years (THEREAFTER). Any junk yard (WHICH) that comes into existence after July 1, 1971 (WHICH) that does not conform to this section, or (WHICH) that becomes nonconforming after July 1, 1971, or (WHICH) that becomes nonconforming after action by the commissioner pursuant to this section, is hereby declared to be a public nuisance and illegal, and the commissioner may enter upon the land where the junk yard is located and may screen the same, or may relocate or dispose of the junk yard after 90 days notice to the owner or dealer thereof, if known, or to the owner of the land. In this event, no compensation shall be paid to the owner or dealer or owner of the land, and the commissioner may (COLLECT) recover the cost of screening, removal, relocation or disposal from the owner or dealer, if known, or from the owner of the land upon which the junk yard is located. Any costs recovered by the commissioner shall be deposited in the general fund and credited to the salvage yard account.

((3)) (c) None of the articles commonly found in junk yards shall be allowed to remain on the grounds for more than 24 hours unless within the buildings or the properly screened area as provided herein, nor shall any junk in any junk yard be allowed to extend above existing or planned screening so as to be visible from the highway.

Sec. 6. Minnesota Statutes 1982, section 161.242, subdivision 4, is amended to read:

Subd. 4. [AUTHORITY; ENFORCEMENT.] The commissioner shall screen junk yards when required by this section at locations on the right-of-way of the highway or on lands within 1,000 feet of the right-of-way and shall pay for the costs thereof. If screening is not feasible because of economic or topographic reasons, the commissioner shall secure the removal, relocation or disposal of such junk yard by sale, agreement, or other means, and pay for the costs thereof. Notwithstanding the other provisions of this section, if a junk yard exists within one-half mile of the right-of-way of any trunk highway and is visible from the highway, the commissioner may acquire easements for screening purposes up to one-half mile from the edge of the right-of-way of the highway. The commissioner shall acquire

such rights and interest in property, personal or real, necessary to carry out the purposes of this section by purchase, gift, or eminent domain proceedings and shall pay just compensation therefor. (THE COMMISSIONER SHALL NOT EXPEND ANY MONEY TO ACQUIRE RIGHTS OR INTERESTS IN JUNK YARDS UNDER THIS SECTION, EXCEPT THOSE FOR WHICH ACQUISITION PROCEEDINGS WERE BEGUN BEFORE JUNE 8, 1979 OR FOR WHICH FEDERAL MONEY HAS BEEN APPROPRIATED BY CONGRESS FOR JUNK YARDS DESCRIBED IN TITLE 23, UNITED STATES CODE, SECTION 136(J) AND THE FEDERAL SHARE HAS BEEN MADE AVAILABLE TO THE COMMISSIONER. ALL COSTS DESCRIBED HEREIN SHALL BE NECESSARY FOR A HIGHWAY PURPOSE.)"

Page 4, line 20, after the period insert "\$1 of each \$4 fee collected shall be credited to the salvage yard account."

Page 4, line 21, delete "general fund" and insert "salvage yard account"

Page 7, line 1, delete "10" and insert "12"

Page 7, line 6, delete "11" and insert "13"

Page 7, line 11, delete "11" and insert "13"

Page 7, line 19, delete "7, 8, and" and after "9" insert ", 10, and 11"

Page 7, line 25, delete "5" and insert "7"

Renumber the sections

Amend the title as follows:

Page 1, line 7, after the semicolon insert "imposing a fee on the transfer of motor vehicles; dedicating certain of the proceeds for certain purposes;"

Page 1, line 10, before "and" insert "161.242, subdivisions 3 and 4;"

The motion prevailed and the amendment was adopted.

Fjoslien and Voss moved to amend H. F. No. 688, the second engrossment, as amended, as follows:

Page 2, line 33, delete "or"

Page 2, line 35, before the period insert: "; or (6) a resource recovery facility, as defined in section 115A.03, that burns tires in compliance with air quality standards of the agency"

The motion prevailed and the amendment was adopted.

Osthoff moved to amend H. F. No. 688, the second engrossment, as amended, as follows:

Page 4, delete line 7

Renumber the clauses

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 15 yeas and 88 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Dimler	Kalis	Onnen	Schreiber
Boo	Himle	Kostohryz	Osthoff	Thiede
DenOuden	Hokr	McEachern	Piepho	Uphus

Those who voted in the negative were:

Anderson, B.	Erickson	Mann	Piper	Sviggum
Battaglia	Evans	Marsh	Price	Swanson
Beard	Findlay	McDonald	Quinn	Tomlinson
Begich	Fjoslien	McKasy	Quist	Tunheim
Bennett	Forsythe	Metzen	Rice	Valan
Bishop	Graba	Minne	Riveness	Valento
Brandl	Greenfield	Munger	Rodosovich	Vanasek
Brinkman	Gruenes	Murphy	Rodriguez, C.	Voss
Burger	Gutknecht	Nelson, D.	Rodriguez, F.	Waltman
Carlson, D.	Heinitz	Neuenschwander	St. Onge	Welch
Carlson, L.	Hoffman	Norton	Schoenfeld	Welle
Clark, J.	Jacobs	O'Connor	Seaberg	Wenzel
Clark, K.	Johnson	Ogren	Shaver	Wigley
Coleman	Kelly	Olsen	Sherman	Wynia
Dempsey	Knuth	Omann	Simoneau	Zaffke
Eken	Krueger	Otis	Skoglund	Speaker Sieben
Elioff	Larsen	Pauly	Solberg	
Ellingson	Ludeman	Peterson	Sparby	

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

H. F. No. 688, 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; imposing a fee on the transfer of motor vehicles; dedicating certain of the proceeds for certain purposes; authorizing certain studies; appropriating money; amending Minnesota Statutes

1982, sections 116J.88, by adding a subdivision; 116J.90, by adding a subdivision; 161.242, subdivisions 3 and 4; and Minnesota Statutes 1983 Supplement, section 116J.91, subdivision 4; proposing new law coded in Minnesota Statutes, chapters 115A and 161.

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

The question was taken on the passage of the bill and the roll was called. There were 68 yeas and 57 nays as follows:

Those who voted in the affirmative were:

Battaglia	Elioff	Larsen	Pauly	Skoglund
Beard	Ellingson	Long	Peterson	Solberg
Begich	Forsythe	Marsh	Piper	Sparby
Bergstrom	Greenfield	McKasy	Price	Staten
Bishop	Gruenes	Metzen	Quinn	Swanson
Boo	Gutknecht	Minne	Reif	Tomlinson
Brandl	Himle	Munger	Rice	Tunheim
Brinkman	Hoffman	Murphy	Riveness	Vellenga
Burger	Jacobs	Nelson, D.	Rodriguez, F.	Voss
Carlson, L.	Kahn	Nelson, K.	Rose	Welle
Clark, J.	Kelly	Neuenschwander	Scheid	Wynia
Clark, K.	Knickerbocker	Norton	Schreiber	Speaker Sieben
Coleman	Knuth	Ogren	Shaver	
Eken	Kostohryz	Otis	Simoneau	

Those who voted in the negative were:

Anderson, B.	Fjoslien	Kvam	Quist	Uphus
Anderson, C.	Frerichs	Levi	Redalen	Valan
Anderson, R.	Graba	Ludeman	Rodosovich	Valento
Bennett	Haukoos	Mann	Rodriguez, C.	Vanasek
Blatz	Heap	McDonald	St. Onge	Waltman
Carlson, D.	Heinitz	McEachern	Sarna	Welker
Dempsey	Hokr	O'Connor	Schafer	Wenzel
DenOuden	Jennings	Olsen	Schoenfeld	Wigley
Dimler	Jensen	Omann	Seaberg	Zaffke
Erickson	Johnson	Onnen	Sherman	
Evans	Kalis	Osthoff	Sviggum	
Findlay	Krueger	Piepho	Thiede	

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

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

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 1982, sections 116J.88, by adding a subdivision; 116J.90, by adding subdivisions; Minnesota Statutes 1983 Supplement, sections 116J.88, subdivisions 7 and 7a; and 116J.90, 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 84 yeas and 34 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Erickson	Long	Piper	Simoneau
Anderson, G.	Evans	Mann	Price	Solberg
Anderson, R.	Findlay	Marsh	Quinn	Sparby
Battaglia	Fjoslien	McDonald	Redalen	Swanson
Beard	Graba	McEachern	Reif	Tunheim
Begich	Greenfield	McKasy	Rice	Uphus
Bishop	Gruenes	Munger	Riveness	Valan
Brandl	Hoffman	Murphy	Rodosovich	Vanasek
Brinkman	Jacobs	Nelson, D.	Rodriguez, C.	Vellenga
Carlson, L.	Jensen	Neuenschwander	Rodriguez, F.	Voss
Clark, K.	Johnson	Norton	St. Onge	Waltman
Clawson	Kalis	O'Connor	Sarna	Welch
Coleman	Kelly	Ogren	Schoenfeld	Welle
Dempsey	Knuth	Omann	Seaberg	Wenzel
Eken	Kostohryz	Onnen	Shaver	Wynia
Elioff	Krueger	Otis	Shea	Speaker Sieben
Ellingson	Larsen	Peterson	Sherman	

Those who voted in the negative were:

Bennett	Frerichs	Jennings	Pauly	Swiggum
Blatz	Gutknecht	Knickerbocker	Piepho	Thiede
Boo	Haukoos	Kvam	Quist	Valento
Burger	Heap	Levi	Rose	Welker
DenOuden	Heinitz	Ludeman	Schafer	Wigley
Dimler	Himle	Olsen	Schreiber	Zaffke
Forsythe	Hokr	Osthoff	Skoglund	

The bill was passed and its title agreed to.

Beard and Solberg were excused for the remainder of today's session.

SPECIAL ORDERS

Eken moved that the bills on Special Orders for today be continued one day. The motion prevailed.

GENERAL ORDERS

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

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

REPORTS OF STANDING COMMITTEES

Rice from the Committee on Appropriations to which was referred:

H. F. No. 288, 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.

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 July 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 residence. 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 com-

pliance 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 and of the fact that the residence is not in compliance with the energy efficiency standards prescribed by subdivisions 1 and 3. 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 fee receipts shall be deposited in the general fund. 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) subdivisions 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 noncompliance 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 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. 7. 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 pre-

scribed 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. 8. 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 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 copy of all certificates of rent constituting property taxes that have been filed with the department. The copies of the certificates shall be provided by June 1 of each year.

Sec. 9. Minnesota Statutes 1982, section 462A.05, is amended by adding a subdivision to read:

Subd. 24. [RENTAL HOUSING ENERGY EFFICIENCY COMPLIANCE LOANS.] The agency may make or purchase or otherwise participate in the making, and may enter into commitments for the purchase, making, or participating in the making, of loans to owners of rental residential property for the purpose of energy improvements necessary to bring the property into compliance with standards established under section 116J.27, subdivisions 1 and 3. Loans pursuant to this subdivision shall be at such terms and rates of interest and with security for repayment, if any, the agency determines to be reasonably necessary to achieve the highest level of compliance with the energy standards. The loans shall be made without limitations relating to the incomes of the owners or tenants. Loans shall be made only when the agency determines that financing is not otherwise available, in whole or in part, from private lenders upon equivalent terms and conditions.

Sec. 10. Minnesota Statutes 1982, section 462A.21, is amended by adding a subdivision to read:

Subd. 13. The agency may make, purchase, or otherwise participate in loans pursuant to section 1, and may pay the costs and expenses necessary and incidental to the development and operation of the program authorized therein. It may combine loan funds established pursuant to legislative appropriations with loan funds established for the same or similar purposes pursuant to the sale of its notes or bonds in order to reduce the effective interest rate to borrowers.

Sec. 11. [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. 12. [APPROPRIATION.]

The sum of \$80,000 in fiscal year 1985 is appropriated from the general fund to the commissioner of energy and economic development for the purposes of this act. The complement of the department is increased by two positions.

Sec. 13. [EFFECTIVE DATE.]

Sections 1 to 3, 5, 6, 9, and 10 are effective the day following final enactment. Sections 7, 8, and 12 are effective July 1, 1984. Section 4 is effective January 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; providing a rental housing energy efficiency loan program; making other changes; appropriating money; amending Minnesota Statutes 1982, sections 116J.27, subdivision 4, and by adding subdivisions; 116J.30, by adding a subdivision; 462A.05, by adding a subdivision; and 462A.21, 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.

The report was adopted.

Rice from the Committee on Appropriations to which was referred:

H. F. No. 471, 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.

Reported the same back with the following amendments:

Page 2, after line 11, insert:

"Sec. 2. [CITIZEN REVIEW BOARD PILOT PROJECT.]

Subdivision 1. [PURPOSE.] The purpose of a citizen review board pilot project is to determine (1) the need for and feasibility of establishing a statewide system of citizen review boards for children placed in substitute care for more than six months;

(2) the optimal methods of achieving statewide compliance with the requirements of Public Law 96-272, Sections 427 and 475; (3) a comparison of the citizen review board concept with local social service agency administrative review panels; (4) whether a citizen review facilitates the timely return of children to their birth parents, placement for adoption, or other permanency plans; and (5) whether the citizen review process provides benefits to children that are comparable to those provided by the juvenile court.

Subd. 2. [PILOT PROJECT; ESTABLISHMENT.] *The commissioner of public welfare, hereinafter the commissioner, shall establish a citizen review board pilot project in at least one judicial district to be determined by the commissioner. The citizen review boards shall review one-half of the cases of children in substitute care for more than six months in each project district. The other one-half will be reviewed under existing administrative review procedures.*

Subd. 3. [CITIZEN REVIEW BOARD.] *There shall be one citizen review board for every 75 children eligible for review by a citizen board in each project area. 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. No more than one person may be employed by the department of public welfare, by a child welfare agency, or by the juvenile court. Board members shall be appointed by the commissioner in consultation with the administrator of the local social services agency and the presiding judge of the juvenile court. Board members shall be required to attend in-service training sessions sponsored by the commissioner. Board members shall be appointed to serve a term that expires June 30, 1987. Appointments to fill vacancies on the 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 be reimbursed for expenses.*

Subd. 4. [REVIEW.] *For purposes of determining what efforts have been made by the supervising agency or child caring institution to carry out the plan for permanent placement of each child subject to review under the project, citizen review boards shall, every six months from the date of the child's initial placement, review the cases of participating children who have resided in public or private foster care for a period of more than six months and who are under the jurisdiction of (1) the commissioner of corrections; (2) the designated social service agency; (3) the commissioner of public welfare pursuant to section 260.242; or (4) a child placing agency, a facility licensed pursuant to sections 245.781 to 245.813, a county home school, or a group foster home licensed under section 241.12. All chil-*

dren in care who are subject to citizen board review shall be reviewed within a year and every six months thereafter until the project expires. The review procedure established by this subdivision shall replace administrative reviews required by section 257.071, subdivision 2, for children reviewed under the pilot project.

Subd. 5. [RETURN OF CHILDREN TO PARENTS; ADOPTION.] Citizen review boards shall encourage and facilitate the timely return to their birth parents of foster children reviewed under this program or, where appropriate, shall encourage the appropriate agency to initiate procedures to make the child free for adoption and to exert maximum effort to place the child for adoption.

Subd. 6. [RECOMMENDATIONS TO JUVENILE COURT AND THE LOCAL SOCIAL SERVICES AGENCY.] The citizen review board shall submit to the juvenile court and the local social services agency, within ten days following review of any placement, findings and recommendations regarding the efforts and progress made by the designated local social services agency to carry out the case placement plan established pursuant to section 257.071, together with any other recommendations regarding the child. The findings and recommendations shall include the date of the next review; the signature of all persons attending the review; documentation of the procedural safeguards as required in Public Law 96-272, Section 475; and any comments the birth parents or the child wish to communicate to the agency or the court.

Subd. 7. [UNNECESSARY CHANGES IN PLACEMENT.] Citizen 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. 8. [APPROPRIATENESS OF PLACEMENT.] Citizen review boards shall review foster care placements and 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 racial and ethnic heritage.

Subd. 9. [INFORMATION ON RIGHTS.] Citizen review boards shall assist the local social services 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, the child, and other interested parties shall be allowed to participate in the review process.

Subd. 10. [DEFICIENCY REPORTS.] Citizen review boards shall report to the department of public welfare, the local social services agency, 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.

Subd. 11. [AGENCY COOPERATION; DATA PRIVACY REQUIREMENTS.] All public and private agencies and institutions that provide or arrange foster care services for children shall cooperate with the citizen review boards by furnishing information required for effective implementation of this section. 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 a citizen review board as it had in the possession of the public agency or institution. Information supplied by a private agency or institution that identifies an individual shall not be disclosed or disseminated by a citizen review board for any purpose except as required to implement this section.

Subd. 12. [LIMITATIONS.] This section 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; or to alter or restrict the duties and authority of those agencies and institutions in those matters.

Subd. 13. [REVIEW; REPORT.] The commissioner shall monitor each pilot project. The commissioner, the local social services agency, and the presiding judge of the juvenile court in each project area shall review the quality, efficiency, and effectiveness of the pilot project. The commissioner shall evaluate the projects and report to the legislature by November 15, 1986. The report shall include: (1) a comparison of the citizen review board process and the local social services agency administrative review panels; (2) the cost effectiveness of the citizen review board; (3) the effect upon the numbers of children in substitute care for longer than six months; (4) the number of children served; (5) the extent of compliance with federal requirements; (6) the quality and efficiency of the citizen review board pilot projects; and (7) recommendations regarding establishment of citizen review boards statewide in order to maximize achievement of statewide compliance with requirements of P.L. 96-272, Sections 427 and 475.

Sec. 3. [RULES OF THE DEPARTMENT.]

For purposes of the pilot projects the department of public welfare shall promulgate temporary or permanent rules necessary to implement section 1.

Sec. 4. [APPROPRIATION.]

There is appropriated from the general fund to the department of public welfare for the biennium ending June 30, 1985, the sum of \$50,000 for the purposes of sections 2 and 3 and to facilitate county compliance with applicable requirements of section 2."

Amend the title as follows:

Page 1, line 3, after the second semicolon, insert "establishing a citizen review board pilot project; requiring a report; authorizing promulgation of rules; appropriating money;"

Page 1, line 5, before the period insert "; proposing new law coded in Minnesota Statutes, chapter 260"

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. 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.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 473.581, subdivision 3, is amended to read:

Subd. 3. [LIMITATIONS.] The principal amount of the bonds issued pursuant to subdivision 1, clause (a), shall not exceed the amounts hereinafter authorized. If the commission's proposal and the construction contracts referred to in clause (g) of this subdivision provide for the construction of a covered multipurpose sports facility, the total cost of constructing the facility under the construction contracts, not including costs paid from funds provided by others, and the principal amount of bonds issued pursuant to subdivision 1, clause (a), shall be limited to \$55,000,000. If the commission's proposal and the construction contracts do not provide for the construction of a cover on a proposed multipurpose sports facility and the commission does not otherwise contract for the construction or acquisition of a cover for the sports facility, the principal amount

shall be limited to \$42,000,000. If the commission's proposal and the construction contracts provide for the construction of a new sports facility for football and soccer and for remodeling the existing metropolitan stadium for baseball, the principal amount shall be limited to \$37,500,000. If the commission's proposal and the construction contracts provide for the reconstruction and remodeling of the existing metropolitan stadium as an uncovered multipurpose sports facility, the principal amount shall be limited to \$25,000,000. The bonds issued pursuant to subdivision 1, clause (a), shall bear an average annual rate of interest, including discount, not in excess of 7-1/2 percent. The proceeds of the bonds issued pursuant to subdivision 1, clause (a), shall be used only for the acquisition and betterment of sports facilities suitable for baseball, football and soccer, with a seating capacity for football and soccer of approximately 65,000 persons. The council shall issue its bonds and construction of sports facilities may commence when the council has made the following determinations:

(a) The commission has executed agreements with major league professional baseball and football organizations to use its sports facilities for all scheduled regular season home games and play-off home games and, in the case of the football organization, for at least one-half of its exhibition games played each season. The agreements shall be for a period of not more than 30 years nor less than the term of the longest term bonds that in the council's judgment it may find it necessary to issue to finance the acquisition and betterment of the commission's sports facilities. The agreements may contain provisions negotiated between the organizations and the commission which provide for termination upon conditions related and limited to the bankruptcy, insolvency, or financial capability of the organization. The agreements shall provide that, in the event of breach of the agreements, the defaulting organization shall pay damages annually to the commission. The annual payment shall be in an amount equal to the annual average of all revenue derived by the commission from attendance at events and activities of the defaulting organization during the years prior to default, provided that the damages shall not exceed in any year an amount sufficient, with other revenues of the commission but excluding proceeds of the taxes under section 473.592, to pay all expenses of operation, maintenance, administration, and debt service for the facilities used by the defaulting organization during the same year. The damages shall be payable during the period from the occurrence of the default to the date on which another major league professional baseball or football organization, replacing the defaulting organization, enters into a use agreement with the commission for not less than the then remaining term of the original agreement. The agreements with the teams shall provide that no closed circuit or pay television broadcasting of events in the sports facility may be allowed without the approval of the commission. The agreements shall include provisions protecting the commission and the council in the event of change in ownership of the professional teams.

(b) The commission has executed agreements with professional baseball and football major leagues which guarantee the continuance of franchises in the metropolitan area for the period of the agreements referred to in clause (a).

(c) The proceeds of bonds provided for in this subdivision will be sufficient, together with other capital funds that may be available to the commission, to construct or remodel and to furnish the sports facilities proposed by the commission, including the appropriate professional fees and charges but excluding, except as otherwise provided in this subdivision, the acquisition, clearance, relocation, and legal costs referred to in clauses (d) and (e).

(d) The commission has acquired, without cost to the commission or the council except as provided in this subdivision, title to all real property including all easements and other appurtenances needed for the construction and operation of any proposed sports facilities or has received a grant of funds or has entered into an agreement or agreements sufficient in the judgment of the council to assure the receipt of funds, at the time and in the amount required, to make any payment upon which the commission's acquisition of title and possession of the real property is conditioned.

(e) The commission has received a grant of funds or entered into an agreement or agreements sufficient in the judgment of the council to assure the receipt of funds, at the time and in the amount required, to pay all costs, except as provided in this subdivision, of clearing the real property needed for the construction and operation of any proposed sports facilities of all buildings, railroad tracks and other structures, including without limitation all relocation costs, all utility relocation costs, and all legal costs.

(f) The commission has executed agreements with appropriate labor organizations and construction contractors which provide that no labor strike or management lockout will halt, delay or impede construction.

(g) The commission has executed agreements which will provide for the construction of its sports facilities for a certified construction price and completion date and which include performance bonds in an amount at least equal to 100 percent of the certified price to cover any costs which may be incurred over and above the certified price, including but not limited to costs incurred by the commission or loss of revenues resulting from incomplete construction on the completion date.

(h) The environmental impact statement for the sports facility or facilities has been accepted by the environmental quality board, and the pollution control agency and any other de-

partment, agency, or unit of government have taken the actions necessary to permit the construction of the sports facility or facilities.

(i) At least 50 percent of the private boxes provided for in the commission's proposal for the sports facility or facilities are sold or leased for at least five years.

(j) The anticipated revenue from the operation of the sports facility or facilities plus any additional available revenue of the commission and the revenue from the taxes under section 473.-592 will be an amount sufficient to pay when due all debt service plus all administration, operating and maintenance expense.

(k) The commission has studied and considered the needs of the University of Minnesota for athletic facilities for a prospective 20 year period.

(l) The municipality where the facility is to be constructed has entered into an agreement as contemplated in section 473.-592.

(m) The commission has entered into an agreement or agreements with a purchaser or purchasers of tickets of admission for a period of not less than 20 years which will assure that (, IF THE PROFESSIONAL FOOTBALL ORGANIZATION CANNOT COMPLY WITH THE PROVISIONS OF SECTION 473.568,) whenever more than 90 and less than 100 percent of the tickets of admission for seats at any professional football game, which were available for purchase by the general public 120 hours or more before the scheduled beginning time of the game either at the sports facility where the game is to be played or at the box office closest to the sports facility, have been purchased 72 hours or more before the beginning time of the game, then all of such tickets which remain unsold will be purchased in sufficient time to permit the telecast to areas within the state which otherwise would not receive the telecast because of the terms of an agreement in which the professional football league has sold or otherwise transferred all or part of the rights of the league's member organizations in the sponsored telecasting of games of the organizations. The party or parties agreeing to the purchase of such unsold tickets shall be obligated for a period of at least 20 years in an amount determined by the council to be sufficient to assure the purchase of all such unsold tickets. (AN AGREEMENT OR AGREEMENTS SATISFYING THE REQUIREMENTS OF THIS CLAUSE SHALL FREE THE PROFESSIONAL FOOTBALL ORGANIZATION FROM THE PROHIBITION OTHERWISE IMPOSED ON IT BY SECTION 473.568.)

(n) The council has entered into an agreement with the brokerage firm or brokerage firms to be used in connection with

the issuance and sale of the bonds guaranteeing that fees and charges payable to the brokerage firm or firms in connection therewith, including any underwriting discounts, shall not exceed fees and charges customarily payable in connection with the issuance and sale of bonds secured by the pledge of the full faith and credit of the municipality in which any new sports facility is to be located.

The validity of any bonds issued under subdivision 1, clause (a), and the obligations of the council and commission related thereto, shall not be conditioned upon or impaired by the council's determinations made pursuant to this subdivision. For purposes of issuing the bonds the determinations made by the council shall be deemed conclusive, and the council shall be and remain obligated for the security and payment of the bonds irrespective of determinations which may be erroneous, inaccurate, or otherwise mistaken.

Sec. 2. [REPEALER.]

Minnesota Statutes 1982, section 473.568, is repealed. This repeal is based solely upon the continued effectiveness of the agreement or agreements entered into by the Metropolitan Sports Facilities Commission and the purchaser or purchasers of tickets of admission as provided for by Laws 1979, chapter 203, section 8. Such agreements shall remain in effect throughout their terms and the commission shall have no authority to terminate or modify such agreements.

Sec. 3. [EFFECTIVE DATE.]

Sections 1 and 2 are effective July 1, 1987."

Amend the title as follows:

Page 1, line 4, after the comma insert "section 473.581, subdivision 3; repealing Minnesota Statutes 1982,"

Page 1, line 5, delete ", subdivision 1"

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. 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; defin-

ing 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:

Page 5, after line 19, insert:

"Sec. 4. [APPROPRIATION.]

The sum of \$50,000 is appropriated from the general fund for the biennium ending June 30, 1985, to the commissioner of economic security for the purposes of carrying out the requirements of sections 2 and 3. The evaluations required by section 2, subdivisions 2 and 4, shall be accomplished insofar as possible by contracting with outside consultants."

Amend the title as follows:

Page 1, line 6, after the semicolon insert "appropriating money;"

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. 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:

Delete everything after the enacting clause and insert:

"Section 1. [240.35] [STUDY FOR TREATMENT OF COMPULSIVE GAMBLERS.]

Subdivision 1. [AUTHORIZATION.] The commissioner of public welfare is authorized to study the problem of compulsive gamblers in the state of Minnesota. For purposes of this act, a "compulsive gambler" means a person who is chronically and progressively preoccupied with gambling and the urge to gamble, and with gambling behavior that compromises, disrupts, or

damages personal, family, or vocational pursuits. The study shall be presented to the legislature no later than June 30, 1985.

Subd. 2. [STUDY.] The study shall consider, among other things, the following issues:

(1) the nature of compulsive gambling and current practices in diagnosing and treating;

(2) the extent of compulsive gambling in this state and the effect of current and proposed forms of legalized gambling on the incidence of compulsive gambling;

(3) proposals for additional efforts to deal with compulsive gambling by both public and private agencies;

(4) coverage of compulsive gambling under existing health insurance policies and proposals to change that coverage;

(5) recommendations for a coordinated program of public and private action to deal with compulsive gambling by means of both treatment and public information, with recommended funding levels and implementation strategy; and

(6) the estimated annual cost of establishing compulsive gambling treatment programs.

Subd. 3. [TRAINING.] The commissioner is authorized to design and implement programs for the training of counselors and other specialized personnel to deal with the problem of compulsive gambling in the state of Minnesota.

Sec. 2. [APPROPRIATION.]

Subdivision 1. [GENERALLY.] \$50,000 is appropriated from the general fund to the commissioner of public welfare for the purpose of implementing section 1. The sum is available until June 30, 1985.

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.

The report was adopted.

Jacobs from the Committee on Regulated Industries to which was referred:

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.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 340.034, is amended by adding a subdivision to read:

Subd. 4. [CLOSING HOURS.] (a) A licensed on-sale premise prohibited by local ordinance from remaining open after 1 a.m. may remain open beyond that hour on any day when sales of nonintoxicating malt liquor are otherwise permitted, provided that a permit is obtained under this subdivision and no nonintoxicating malt liquor is sold after the hour required under subdivision 1.

(b) A municipality may issue a permit to allow an establishment to remain open after hours, as allowed by this subdivision, provided that no permit may be issued to an establishment which has, within the preceding three years, been found to have sold nonintoxicating malt liquor after the hours set forth in subdivision 1. A municipality may revoke a permit issued under this subdivision if nonintoxicating malt liquor is sold after the hours set forth in subdivision 1. The fee for the permit may not exceed \$25 per year.

(c) This subdivision is repealed effective June 30, 1986.

Sec. 2. Minnesota Statutes 1982, section 340.14, is amended by adding a subdivision to read:

Subd. 1b. [CLOSING HOURS.] (a) A licensed on-sale premise prohibited by local ordinance from remaining open after 1 a.m. may remain open beyond that hour on any day when sales of intoxicating liquor are otherwise permitted, provided that a permit is obtained under this subdivision and no intoxicating liquor is sold after the hour required under subdivisions 1 and 5.

(b) A municipality may issue a permit to allow an establishment to remain open after hours; as allowed by this subdivision, provided that no permit may be issued to an establishment which has, within the preceding three years, been found

to have sold intoxicating liquor after the hours set forth in subdivisions 1 and 5. A municipality may revoke a permit under this subdivision if intoxicating liquor is sold after the hours set forth in subdivisions 1 and 5. The fee for the permit may not exceed \$25.

(c) *This subdivision is repealed effective June 30, 1986.*

Amend the title as follows:

Page 1, line 5, delete "section" and insert "sections 340.034, by adding a subdivision; and"

Page 1, line 5, delete "subdivision 5;" and insert "by adding a subdivision."

Page 1, delete lines 6 and 7

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. 2004, A bill for an act relating to health; requiring the commissioner of health to conduct studies and disseminate information about hazardous substances; appropriating money; proposing new law coded in Minnesota Statutes, chapter 144.

Reported the same back with the following amendments:

Page 3, line 9, delete "\$112,500" and insert "\$73,800"

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. 2068, A bill for an act relating to occupations and professions; establishing a task force on sexual exploitation by counselors and therapists.

Reported the same back with the following amendments:

Page 2, after line 27, insert:

"Sec. 2. [APPROPRIATION.]

There is appropriated to the department of corrections from the general fund \$33,000 for the purposes of this act. This appropriation is available until June 30, 1985."

Renumber the subsequent section

Amend the title as follows:

Page 1, line 4, before the period insert "; appropriating money"

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. 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, and by adding a subdivision; 296.05, subdivisions 1, 4, 6, and by adding a subdivision; and 296.22, by adding a subdivision.

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

The report was adopted.

SECOND READING OF HOUSE BILLS

H. F. Nos. 288, 471, 1501, 1667, 1708, 1750, 2004, 2068 and 2113 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 Senate File, herewith transmitted:

S. F. No. 1977.

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. 2043.

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. 1807.

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. 924, 1442 and 2109.

PATRICK E. FLAHAVEN, Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 1977, 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.

Eken moved that S. F. No. 1977 and H. F. No. 2085, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2043, A bill for an act relating to the legislative auditor; authorizing the audit of metropolitan agencies, boards, and commissions; amending Minnesota Statutes 1982, sections 3.971, subdivision 1; 473.08, subdivision 4; 473.141, by adding a subdivision; 473.413, subdivision 11; 473.543, subdivision 5; 473.-

595, subdivision 5; 473.604, by adding a subdivision; 473.703, by adding a subdivision; and Minnesota Statutes 1983 Supplement, section 3.972, subdivision 2.

The bill was read for the first time.

Welch moved that S. F. No. 2043 and H. F. No. 2157, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1807, 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.

Rodosovich moved that S. F. No. 1807 and H. F. No. 1843, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 924, A bill for an act relating to marriage dissolution; excluding mediators' information except on consent of the parties; providing for deposing of investigators; amending Minnesota Statutes 1982, section 518.167.

The bill was read for the first time.

Cohen moved that S. F. No. 924 and H. F. No. 1230, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1442, 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.

Kahn moved that S. F. No. 1442 and H. F. No. 1547, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2109, 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.

Tunheim moved that S. F. No. 2109 and H. F. No. 2189, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

NOTICE FOR SPECIAL ORDER

Pursuant to rule 1.9, Himle gave notice that on Wednesday, April 18, 1984, he will move to make the following bill a Special Order for Wednesday, April 18, 1984 at 8:00 p.m.:

H. F. No. 377, 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.

MOTIONS AND RESOLUTIONS

Jacobs moved that S. F. No. 1976 be recalled from the Committee on Regulated Industries and together with H. F. No. 1501, now on Technical General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

Kvam moved that his name be stricken as an author on H. F. No. 49. The motion prevailed.

Kalis moved that his name be stricken as an author on H. F. No. 1315. The motion prevailed.

Schafer moved that the name of Marsh be added as an author on H. F. No. 2005. The motion prevailed.

Swanson moved that the name of Findlay be added as an author on H. F. No. 2205. The motion prevailed.

Graba moved that the name of Olsen be added as an author on H. F. No. 2296. The motion prevailed.

Clark, K., moved that the name of Rodriguez, F., be added as an author on H. F. No. 1602. The motion prevailed.

Peterson moved that H. F. No. 361 be returned to its author. The motion prevailed.

ADJOURNMENT

Eken moved that when the House adjourns today it adjourn until 11:00 a.m., Tuesday, April 17, 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., Tuesday, April 17, 1984.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

STATE OF MINNESOTA

SEVENTY-THIRD SESSION - 1984

EIGHTIETH DAY

SAINT PAUL, MINNESOTA, TUESDAY, APRIL 17, 1984

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

Prayer was offered by Reverend Leslie G. Svendsen, St. Philips Lutheran Church, Fridley, Minnesota.

The roll was called and the following members were present:

Anderson, B.	Erickson	Kostohryz	Peterson	Sparby
Anderson, C.	Evans	Krueger	Piepho	Staten
Anderson, R.	Findlay	Kvam	Piper	Sviggum
Battaglia	Fjoslien	Larsen	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	Custafson	McEachern	Riveness	Valento
Boo	Gutknecht	McKasy	Rodosovich	Vanasek
Brandl	Halberg	Metzen	Rodriguez, C.	Vellenga
Brinkman	Haukoos	Minne	Rodriguez, F.	Voss
Burger	Heap	Munger	Rose	Waltman
Carlson, D.	Heinitz	Murphy	St. Onge	Welch
Carlson, L.	Himle	Nelson, D.	Sarna	Welker
Clark, J.	Hoffman	Nelson, K.	Schafer	Welle
Clark, K.	Hokr	Neuenschwander	Scheid	Wenzel
Clawson	Jacobs	Norton	Schoenfeld	Wigley
Cohen	Jennings	O'Connor	Schreiber	Wynia
Coleman	Jensen	Ogren	Seaberg	Zaffke
Dempsey	Johnson	Olsen	Segal	Speaker Sieben
DenOuden	Kahn	Omann	Shea	
Dimler	Kalis	Onnen	Sherman	
Eken	Kelly	Osthoff	Simoneau	
Elioff	Knickerbocker	Otis	Skoglund	
Ellingson	Knuth	Pauly	Solberg	

A quorum was present.

Hoberg and Stadum were excused.

Levi was excused until 11:40 a.m. Shaver was excused until 12:30 p.m.

The Chief Clerk proceeded to read the Journal of the preceding day. DenOuden 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. 2006, 1707, 966, 1678, 1689, 2004, 2113, 1264, 1501, 1708, 2068, 288, 471, 688, 1667, 1750, 1966 and 1577 and S. F. Nos. 992, 1548, 1575, 1864, 1023, 1862, 1883, 1914, 1976, 2009, 396, 1403, 1732, 2102, 595, 1336, 1498, 2030, 1977, 2043, 1622, 1807, 924, 1442, 2109 and 1349 have been placed in the members' files.

S. F. No. 2030 and H. F. No. 2135, 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. 2030 be substituted for H. F. No. 2135 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1914 and H. F. No. 1945, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Skoglund moved that the rules be so far suspended that S. F. No. 1914 be substituted for H. F. No. 1945 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1575 and H. F. No. 2039, 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. 1575 be substituted for H. F. No. 2039 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1403 and H. F. No. 1909, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Solberg moved that the rules be so far suspended that S. F. No. 1403 be substituted for H. F. No. 1909 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2102 and H. F. No. 2183, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Valan moved that the rules be so far suspended that S. F. No. 2102 be substituted for H. F. No. 2183 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1883 and H. F. No. 2067, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Greenfield moved that the rules be so far suspended that S. F. No. 1883 be substituted for H. F. No. 2067 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2109 and H. F. No. 2189, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Tunheim moved that the rules be so far suspended that S. F. No. 2109 be substituted for H. F. No. 2189 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1732 and H. F. No. 1923, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Quinn moved that the rules be so far suspended that S. F. No. 1732 be substituted for H. F. No. 1923 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1336 and H. F. No. 1400, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Vellenga moved that the rules be so far suspended that S. F. No. 1336 be substituted for H. F. No. 1400 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1864 and H. F. No. 2130, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Knuth moved that the rules be so far suspended that S. F. No. 1864 be substituted for H. F. No. 2130 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2043 and H. F. No. 2157, 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. 2043 be substituted for H. F. No. 2157 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1498 and H. F. No. 1851, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Anderson, G., moved that the rules be so far suspended that S. F. No. 1498 be substituted for H. F. No. 1851 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1807 and H. F. No. 1843, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Rodosovich moved that the rules be so far suspended that S. F. No. 1807 be substituted for H. F. No. 1843 and that House File be indefinitely postponed. The motion prevailed.

S. F. No. 1862 and H. F. No. 1896, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Vanasek moved that the rules be so far suspended that S. F. No. 1862 be substituted for H. F. No. 1896 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 595 and H. F. No. 702, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Wynia moved that the rules be so far suspended that S. F. No. 595 be substituted for H. F. No. 702 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 924 and H. F. No. 1230, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Cohen moved that the rules be so far suspended that S. F. No. 924 be substituted for H. F. No. 1230 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 992 and H. F. No. 1213, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Norton moved that the rules be so far suspended that S. F. No. 992 be substituted for H. F. No. 1213 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1442 and H. F. No. 1547, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Kahn moved that S. F. No. 1442 be substituted for H. F. No. 1547 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1977 and H. F. No. 2085, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Eken moved that S. F. No. 1977 be substituted for H. F. No. 2085 and that the House File be indefinitely postponed. The motion prevailed.

REPORTS OF STANDING COMMITTEES

Rice from the Committee on Appropriations to which was referred:

H. F. No. 467, A bill for an act relating to retirement; public funds generally; adopting a rule of 85; public employees retirement association; reinstating age and years of service requirements; amending Minnesota Statutes 1982, section 353.30, subdivision 1a; proposing new law coded in Minnesota Statutes, chapter 356.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [356.175] [GUARANTEE OF BENEFITS.]

Subdivision 1. [BENEFITS FOR RETIRED PUBLIC EMPLOYEES.] A person who was a member of any public pension plan, as defined in section 356.61, and who retired after meeting the age and service requirements of the plan in effect at the time of retirement, shall have a nonforfeitable right to the retirement benefit calculated as of the date of retirement, subject to any offsets required under federal or state law.

Subd. 2. [BENEFITS FOR VESTED MEMBERS.] Any person who is a member of any public pension plan, as defined in section 356.61, who has accrued the required years of service for vesting shall have a nonforfeitable right to a normal retirement benefit or to an equivalent optional annuity as provided by the plan, subject to any offsets required under federal or state law, upon the attainment of the normal retirement age.

Subd. 3. [ACCRUAL OF SERVICE AND VESTING CREDIT.] Any person who is a member of any public pension plan, as defined in section 356.61, shall have a nonforfeitable right to service credit and vesting credit accrued to date. Any legislation enacted which reduces the accrual rates for either service credit or vesting credit shall affect credit accrued after the effective date of that legislation. Any legislation enacted which would increase the vesting requirements of any public pension plan shall be optional for any plan member who has not yet vested.

Sec. 2. Minnesota Statutes 1982, section 3.85, is amended by adding a subdivision to read:

Subd. 11. [RULES FOR PENSION VALUATIONS AND COST ESTIMATES.] The commission shall by June 30, 1985, adopt rules prescribing specific detailed methods of calculating,

evaluating, and displaying current and proposed law liabilities, costs, and actuarial equivalents of all public employee pension plans in Minnesota. These rules shall be consistent with the general direction prescribed in chapter 356.

There is appropriated from the general fund to the commission not to exceed \$75,000 in fiscal year 1985, and \$25,000 in each fiscal year thereafter for developing, implementing, and annually updating the rules adopted pursuant to this section.

Sec. 3. Minnesota Statutes 1982, section 3.85, is amended by adding a subdivision to read:

Subd. 12. [LEGISLATIVE COMMISSION ON PENSIONS AND RETIREMENT TO PREPARE VALUATIONS AND MAKE REPORTS TO LEGISLATURE.] (a) The legislative commission on pensions and retirement shall annually contract with an established actuarial consulting firm to conduct valuations and finance adequacy studies for the funds specified in (b). The contract shall also include provisions for performing cost analyses of proposals for changes in benefit and funding policies.

(b) The plans which the legislative commission on pension and retirement shall include in the contract for valuation and analysis are:

- (1) the Statewide Teachers Retirement Association;*
- (2) the General Plan, Minnesota State Retirement System;*
- (3) the Correctional Plan, Minnesota State Retirement System;*
- (4) the State Patrol Plan, Minnesota State Retirement System;*
- (5) the Judges Plan, Minnesota State Retirement System;*
- (6) the Minneapolis Employees Retirement Fund;*
- (7) the General Plan, Public Employees Retirement Association;*
- (8) the Police and Fire Plan, Public Employees Retirement Association;*
- (9) the Duluth Teachers Retirement Association;*
- (10) the Minneapolis Teachers Retirement Association;*

- (11) *the St. Paul Teachers Retirement Association; and*
- (12) *the Legislator's Retirement Plan.*

(c) *The annual contracts shall include the following objectives:*

(1) *Every year beginning in fiscal year 1986, the contract shall specify completion of standard valuations for the period ending June 30 of the preceding fiscal year with contents as described in section 356.215, subdivision 4; and cash flow forecasts through the amortization target date.*

(2) *Every four years, beginning in fiscal year 1986, the contract shall specify completion of an experience study for the four-year period ending June 30 of the preceding fiscal year. The experience study shall evaluate the appropriateness of continuing to use for future valuations the assumptions relating to: individual salary progression; rate of return on investments; payroll growth; mortality; withdrawal; disability; retirement; and any other experience-related factor that could impact the future financial condition of the retirement funds.*

(d) *The commission shall annually prepare a report to the legislature summarizing the results of the valuations and cash flow projections and shall include with its report recommendations concerning the appropriateness of the support rates to achieve proper funding of the retirement funds by the required funding dates. It shall also, within two months of the completion of the quadrennial experience studies, prepare a report to the legislature on the appropriateness of the valuation assumptions listed in paragraph (c), clause (2).*

(e) *Beginning with the fiscal year commencing July 1, 1985, there is annually appropriated to the commission \$400,000 for the purchase of actuarial consulting services to prepare annual valuations, cash flow forecasts, and cost analyses of benefit or funding proposals.*

(f) *There is appropriated quadrennially, beginning in fiscal year 1986, \$100,000 for the purchase of actuarial consulting services to perform the experience study described in paragraph (c), clause (2).*

Sec. 4. Minnesota Statutes 1982, section 3A.02, subdivision 3, is amended to read:

Subd. 3. [APPROPRIATION.] The amounts required for payment of retirement allowances provided by this section are appropriated annually to the director from the (PARTICIPATION IN THE MINNESOTA POST-RETIREMENT INVESTMENT FUND AND SHALL BE PAID BY HIM MONTHLY

TO THE RECIPIENTS ENTITLED THERETO) *legislators' retirement fund and shall be paid by him monthly to the recipients entitled thereto. Money certified by the executive director of the Minnesota state retirement system to the commissioner of finance as needed to meet the obligations of the legislators' retirement fund shall be transferred to the fund as necessary.*

Sec. 5. [3A.011] [LEGISLATORS' RETIREMENT FUND.]

There is established a legislators' retirement fund for the deposit and management of the contributions required by section 3A.02.

Sec. 6. Minnesota Statutes 1982, section 3A.02, subdivision 1b, is amended to read:

Subd. 1b. [REDUCED RETIREMENT ALLOWANCE.] Upon separation from service after the beginning of the 1981 legislative session, a former member of the legislature who has attained the age of at least 60 years and who is otherwise qualified in accordance with subdivision 1 is entitled upon making written application on forms supplied by the director to a retirement allowance in an amount equal to the retirement allowance specified in subdivision 1 reduced by (ONE-HALF) *one-quarter* of one percent for each month that the former member of the legislature is under age 62.

Sec. 7. Minnesota Statutes 1982, section 3A.03, subdivision 1, is amended to read:

Subdivision 1. [PERCENTAGE.] Every member of the legislature shall contribute nine percent of his total salary, by payroll deduction, to be paid into the (STATE TREASURY AND DEPOSITED IN THE GENERAL FUND) *legislators' retirement fund*. It shall be the duty of the director to record the periodic contributions of each member of the legislature and credit such contribution to the member's account.

Sec. 8. Minnesota Statutes 1982, section 352.04, subdivision 2, is amended to read:

Subd. 2. [EMPLOYEE CONTRIBUTIONS.] The employee contribution to the fund shall be an amount equal to (3.46) *3.73* percent of salary, beginning with the first full pay period after (DECEMBER 31, 1981) *June 30, 1984*. These contributions shall be made by deduction from salary in the manner provided in subdivision 4.

Sec. 9. Minnesota Statutes 1982, section 352.04, subdivision 3, is amended to read:

Subd. 3. [EMPLOYER CONTRIBUTIONS.] The employer contribution to the fund shall be an amount equal to (THE TOTAL AMOUNT DEDUCTED FROM THE SALARIES OF EMPLOYEES ON EACH PAYROLL ABSTRACT, PLUS AN ADDITIONAL 1.58 PERCENT OF SALARY BEGINNING WITH THE FIRST FULL PAY PERIOD AFTER JULY 1, 1982. FOR THE PERIOD BEGINNING WITH THE FIRST FULL PAY PERIOD AFTER DECEMBER 31, 1981, AND ENDING WITH THE LAST FULL PAY PERIOD BEFORE JULY 1, 1982, THE CONTRIBUTION SHALL BE AN AMOUNT EQUAL TO 3.46 PERCENT OF SALARY PLUS AN ADDITIONAL 1.74 PERCENT OF SALARY. THE EMPLOYER CONTRIBUTION SHALL BE MADE IN THE MANNER PROVIDED IN SUBDIVISIONS 5 AND 6) *3.85 percent of salary beginning with the first full pay period after June 30, 1984.*

Sec. 10. 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. 11. 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. 12. Minnesota Statutes 1982, section 352.115, subdivision 1, is amended to read:

Subdivision 1. [AGE AND SERVICE REQUIREMENTS.] After separation from state service any employee (a) who has attained the age of at least (62) *55* years and who is entitled to

credit for not less than ten years allowable service or (b) who has (ATTAINED THE AGE OF AT LEAST 58 YEARS AND WHO IS ENTITLED TO) *received* credit for not less than (20) 30 years allowable service *regardless of age* is entitled upon application to a retirement annuity.

Sec. 13. 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 SELECTED THE ANNUITY SHALL BEGIN TO ACCRUE 30 DAYS AFTER THE APPLICATION IS FILED WITH THE DIRECTOR), but in no event prior to the day following the termination of state service or prior to the day the employee is eligible to retire by reason of both age and service requirements. The retirement annuity shall cease with the last payment which had accrued to the retired employee during his lifetime unless he elected an optional annuity provided in section 352.116, subdivision 3, and he had become entitled to payment thereof. The joint and last survivor annuity shall cease with the last payment received by the survivor in his or her lifetime. If a retired employee had not selected an optional annuity, or a survivor annuity is not payable under the option, and a spouse survives, such spouse shall be entitled only to the annuity for the calendar month in which the retired employee died. If an optional annuity is payable after the death of the retired employee, the survivor shall be entitled to the annuity for the calendar month in which the retired employee died.

Sec. 14. Minnesota Statutes 1982, section 352.116, subdivision 1, is amended to read:

Subdivision 1. [REDUCED ANNUITY BEFORE AGE 65.] Any employee who retires prior to age 65 shall be paid the normal retirement annuity provided in section 352.115, subdivisions 2 and 3, reduced (SO THAT THE REDUCED ANNUITY SHALL BE THE ACTUARIAL EQUIVALENT OF THE ANNUITY WHICH WOULD BE PAYABLE TO THE EMPLOYEE IF THE EMPLOYEE DEFERRED RECEIPT OF THE ANNUITY FROM THE DAY THE ANNUITY BEGINS TO ACCRUE TO AGE 65, PROVIDED HOWEVER THAT IF AN EMPLOYEE IS ENTITLED TO CREDIT FOR NOT LESS

THAN 30 YEARS ALLOWABLE SERVICE, THE RETIREMENT ANNUITY SHALL BE REDUCED SO THAT THE REDUCED ANNUITY SHALL BE THE ACTUARIAL EQUIVALENT OF THE ANNUITY WHICH WOULD BE PAYABLE TO THE EMPLOYEE IF THE EMPLOYEE DEFERRED RECEIPT OF THE ANNUITY FROM THE DAY THE ANNUITY BEGINS TO ACCRUE TO AGE 62) *by one-fourth of one percent for each month that the employee is under the age of 65 on the date the annuity begins to accrue, except that for any member who has 30 or more years of allowable service credit, the reduction shall be applied only for each month which the member is under age 62.*

Sec. 15. Minnesota Statutes 1982, section 352.12, subdivision 2, is amended to read:

Subd. 2. [SURVIVING SPOUSE BENEFIT.] If an employee or former employee who has attained the age of at least (62) 55 years and has credit for not less than ten years allowable service (OR WHO HAS ATTAINED THE AGE OF AT LEAST 58 YEARS AND HAS CREDIT FOR NOT LESS THAN 20 YEARS ALLOWABLE SERVICE DIES BEFORE HIS STATE SERVICE HAS TERMINATED OR IF AN EMPLOYEE WHO HAS FILED A VALID APPLICATION FOR AN ANNUITY OR DISABILITY BENEFIT PRIOR TO THE TERMINATION OF HIS STATE SERVICE) or who has credit for not less than 30 years of allowable service, regardless of age attained, dies before (THE) an annuity or disability benefit has become payable, notwithstanding any designation of beneficiary to the contrary, his or her surviving spouse may elect to receive, in lieu of the (REFUNDMENT) refund with interest provided in subdivision 1, an annuity equal to the joint and (50) 100 percent survivor annuity which the employee could have qualified for had he (RETIRED) or she terminated service on the date of death (.). The annuity shall be computed as provided in section 352.115, subdivisions 1, 2, and 3, and section 352.116, subdivisions 1 and 3. The annuity shall cease with the last payment received by the surviving spouse in his or her lifetime. An amount equal to the excess, if any, of the accumulated contributions which were credited to the account of the deceased employee over and above the total of the benefits paid and payable to the surviving spouse shall be paid to the deceased employee's last designated beneficiary or, if none, to the surviving children of the deceased spouse in equal shares or, if none, to the surviving parents of the deceased spouse or, if none, to the representative of the estate of such deceased spouse. Any employee may request in writing that this subdivision not apply and that payment be made only to his designated beneficiary as otherwise provided by this chapter.

Sec. 16. Minnesota Statutes 1982, section 352.92, is amended to read:

352.92 [CORRECTIONAL EMPLOYEE CONTRIBUTIONS.]

Subdivision 1. [EMPLOYEE CONTRIBUTIONS.] Beginning with the first full pay period after July 1, (1982) 1984, in lieu of employee contributions payable under section 352.04, subdivision 2, contributions by covered correctional employees shall be in an amount equal to (4.50) 4.90 percent of salary. (FOR THE PERIOD BEGINNING WITH THE FIRST FULL PAY PERIOD AFTER DECEMBER 31, 1981, AND ENDING WITH THE LAST FULL PAY PERIOD BEFORE JULY 1, 1982, THE CONTRIBUTION SHALL BE IN AN AMOUNT EQUAL TO 3.78 PERCENT OF SALARY.)

Subd. 2. [EMPLOYER CONTRIBUTIONS.] Beginning with the first full pay period after July 1, (1982) 1984, in lieu of employer contributions payable under section 352.04, subdivision 3, the employer shall contribute for covered correctional employees ((1)) an amount equal to (1-1/2 TIMES THE DEDUCTION FROM SALARIES OF COVERED CORRECTIONAL EMPLOYEES ON EACH PAYROLL ABSTRACT, PLUS (2) AN ADDITIONAL AMOUNT OF 1.32 PERCENT OF SALARIES OF COVERED CORRECTIONAL EMPLOYEES ON EACH PAYROLL ABSTRACT. FOR THE PERIOD BEGINNING WITH THE FIRST FULL PAY PERIOD AFTER DECEMBER 31, 1981, AND ENDING WITH THE LAST FULL PAY PERIOD BEFORE JULY 1, 1982, THE CONTRIBUTION SHALL BE AN AMOUNT EQUAL TO 5.66 PERCENT OF SALARIES OF COVERED CORRECTIONAL EMPLOYEES ON EACH PAYROLL ABSTRACT PLUS AN ADDITIONAL AMOUNT EQUAL TO 3.16 PERCENT OF SALARIES OF COVERED CORRECTIONAL EMPLOYEES ON EACH PAYROLL ABSTRACT) 8.70 percent of salary.

Sec. 17. Minnesota Statutes 1982, section 352.93, subdivision 2, is amended to read:

Subd. 2. The monthly annuity under this section shall be determined by multiplying the average monthly salary by the number of years, or completed months, of covered correctional service by 2.5 percent for the first (20) 25 years of correctional service and two percent for each year thereafter; provided however, the monthly annuity shall not exceed 75 percent of the average monthly salary.

Sec. 18. Minnesota Statutes 1982, section 352.93, subdivision 3, is amended to read:

Subd. 3. The annuity under this section shall begin to accrue as provided in section 352.115, subdivision 8, and shall be paid for an additional 84 full calendar months or to the first of the month following the month in which (HE) *the employee becomes age 65, whichever occurs first, except that in no event shall payment cease prior to the first of the month following the month in which the employee becomes 62,* and then be reduced to the

amount as calculated under section 352.115, except that if this amount, when added to the social security benefit based on state service the employee is eligible to receive at such time, is less than the benefit payable under subdivision 2, the retired employee shall receive an amount that when added to such social security benefit will equal the amount payable under subdivision 2. When an annuity is reduced under this subdivision, the percentage adjustments, if any, that have been applied to the original annuity under section 11A.18, prior to the reduction, shall be compounded and applied to the reduced annuity. A former correctional employee employed by the state in a position covered by the regular plan between the ages of 58 and 65 shall receive a partial return of his correctional contributions at retirement with five percent interest based on the following formula:

Employee contributions contributed as a correctional employee in excess of the contributions such employee would have contributed as a regular employee	X	Years and complete months of regular service between ages 58 and 65	7
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Sec. 19. Minnesota Statutes 1982, section 352.95, subdivision 1a, is amended to read:

Subd. 1a. [OPTIONAL ANNUITY ELECTION.] A disabled correctional employee may elect 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 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 benefit begins to accrue as provided in subdivision 3 (, WHICHEVER OCCURS LATER). Upon becoming effective, the optional annuity shall begin to accrue on the same date as provided for the disability benefit.

Sec. 20. Minnesota Statutes 1983 Supplement, section 352B.02, subdivision 1, is amended to read:

Subdivision 1. There is hereby established a state patrol retirement fund, the membership of which shall consist of all persons defined in section 352B.01, subdivision 2. Each member shall pay a sum equal to 8.5 percent of the member's salary. Member contribution amounts shall be deducted each pay period by the department head, who shall cause the total amount of the deductions to be paid to the state treasurer, and shall cause a detailed report of all deductions to be made each pay period to the executive director of the Minnesota state retirement system. In addition thereto, there shall be paid out of money appropriated to the departments for this purpose, by the department

heads, a sum equal to (12) 18.9 percent of the salary upon which deductions were made (, AND A SUM EQUAL TO NINE PERCENT OF THE SALARIES UPON WHICH DEDUCTIONS WERE MADE FOR THE PURPOSE OF AMORTIZING THE ACTUARIAL DEFICIT OF THE FUND).

These amounts shall be credited to the state patrol retirement fund. All moneys received shall be deposited by the state treasurer in the state patrol retirement fund. Out of the fund shall be paid the administrative expenses of the retirement fund, and the benefits and annuities as hereinafter provided. The legislative auditor shall audit the fund and the executive director shall procure an actuarial study of the fund in accordance with chapter 356, the cost of which shall be borne by the fund.

Sec. 21. Minnesota Statutes 1982, section 352C.031, subdivision 2, is amended to read:

Subd. 2. [REDUCED RETIREMENT ALLOWANCE.] Upon separation from service, a former constitutional officer or commissioner who has attained the age of at least 60 years and who has at least eight years of allowable service is entitled upon making written application on forms supplied by the director to a retirement allowance in an amount equal to a normal retirement allowance reduced by (ONE-HALF) *one-quarter* of one percent for each month that the former constitutional officer or commissioner is under age 62.

Sec. 22. Minnesota Statutes 1982, section 353.27, subdivision 2, is amended to read:

Subd. 2. [EMPLOYEE CONTRIBUTION.] The employee contribution shall be an amount (a) for a "basic member" equal to (EIGHT) 8.00 percent of total salary; and (b) for a "coordinated member" equal to (FOUR) 4.00 percent of total salary. These contributions shall be made by deduction from salary in the manner provided in subdivision 4. Where any portion of a member's salary is paid from other than public funds, such member's employee contribution shall be based on the total salary received from all sources.

Sec. 23. Minnesota Statutes 1982, section 353.27, subdivision 3a, is amended to read:

Subd. 3a. [ADDITIONAL EMPLOYER CONTRIBUTION.] An additional employer contribution shall be made equal to (a) two and one-half percent of the total salary of each "basic member"; and (b) (ONE AND ONE-HALF) 0.15 percent of the total salary of each "coordinated member." These contributions shall be made from funds available to the employing subdivision by the means and in the manner provided in section 353.28.

Sec. 24. Minnesota Statutes 1982, section 353.30, subdivision 1c, is amended to read:

Subd. 1c. Any person who has received credit for at least 30 years of allowable service or any person who has attained the age of at least (62) 55 years but not more than 65 years, and who received credit for at least ten years of allowable service is entitled upon application to a retirement annuity in an amount equal to the normal annuity provided in section 353.29, subdivisions 2 and 3, reduced by one-quarter of one percent for each month that the member is under age 65 at the time of retirement, *except that for any member who has 30 or more years of allowable service the reduction shall be applied only for each month that the member is under age 62 at the time of retirement.*

Sec. 25. Minnesota Statutes 1982, section 353.31, subdivision 1, is amended to read:

Subdivision 1. [BENEFITS FOR SURVIVING SPOUSE AND DEPENDENT CHILDREN; BEFORE RETIREMENT.] Upon the death of a (") basic member (") before retirement or upon the death of a (") basic member (") who was disabled and receiving disability benefits pursuant to section 353.33 at the time of death who has had at least 18 months of credited allowable service, the surviving spouse and dependent children of the member, as defined in section 353.01, subdivisions 15 and 20, shall be entitled to receive the monthly benefit provided below:

- | | |
|--------------------------|---|
| (a) Surviving spouse | (30) 50 percent of the member's monthly average salary in effect over the last full six months of allowable service preceding the month in which death occurred |
| (b) Each dependent child | 10 percent of the member's monthly average salary in effect over the last full six months of allowable service preceding the month in which death occurred |

Payments for the benefit of any dependent child, as defined in section 353.01, subdivision 15, shall be made to the surviving parent, or if there be none, to the legal guardian of the child. The maximum monthly benefit for a family shall not exceed (\$700) \$1,000, and the minimum benefit per family shall not be less than (30) 50 percent of the (") basic member's (") specified average *monthly* salary, subject to the aforementioned maximum. The surviving spouse benefit shall terminate upon the remarriage of the spouse, and the dependent children's benefit shall be reduced pro tanto when any child is no longer dependent.

Any survivor of a (") basic member (") whose average salary was less than \$75 per month shall not be entitled to the benefits provided in this subdivision. *Prior to payment of any survivor benefit pursuant to this subdivision, in lieu of that benefit, the surviving dependent spouse may elect to receive the joint and survivor annuity provided pursuant to section 353.32, subdivision 1a.*

Except for any benefits provided pursuant to section 353.32, subdivisions 1 and 1a, there are no survivor benefits payable to the surviving spouse or dependent children of a deceased (") coordinated member (").

Sec. 26. Minnesota Statutes 1982, section 353.32, subdivision 1a, is amended to read:

Subd. 1a. [SURVIVING SPOUSE OPTIONAL ANNUITY.] If a member or former member who has attained the age of at least (58) 55 years and has credit for not less than (20) ten years of allowable service, or (HAS ATTAINED THE AGE OF AT LEAST 62 YEARS AND) who has credit for not less than (10) 30 years of allowable service (, DIES BEFORE PUBLIC SERVICE HAS TERMINATED, OR IF AN EMPLOYEE WHO HAS FILED A VALID APPLICATION FOR AN ANNUITY OR DISABILITY BENEFIT PRIOR TO TERMINATION OF PUBLIC SERVICE), regardless of age attained, dies before the annuity or disability benefit has become payable, notwithstanding any designation of beneficiary to the contrary, the surviving spouse may elect to receive, in lieu of a refund with interest provided in subdivision 1, or survivor benefits otherwise payable pursuant to section 353.31, an annuity equal to the (50) 100 percent joint and survivor annuity which the member could have qualified for had the member terminated service on the date of death (.). *The annuity shall be computed as provided in sections 353.29, subdivisions 2 and 3; and 353.30, subdivisions 1, 1a, 1b and 1c. No payment shall accrue beyond the end of the month in which entitlement to the annuity has terminated. An amount equal to the excess, if any, of the accumulated contributions which were credited to the account of the deceased employee over and above the total of the annuities paid and payable to the surviving spouse shall be paid to the deceased member's last designated beneficiary or, if none, to the legal representative of the estate of the deceased member. Any member may specify in writing that this subdivision shall not apply and that payment shall be made only to the designated beneficiary, as otherwise provided by this chapter.*

Sec. 27. Minnesota Statutes 1982, section 353.33, Subdivision 2, is amended to read:

Subd. 2. [APPLICATIONS; ACCRUAL OF BENEFITS.] Every claim or demand for a total and permanent disability benefit shall be initiated by written application in the manner and

form prescribed by the executive director, filed in the office of the retirement association, showing compliance with the statutory conditions qualifying the applicant for a total and permanent disability benefit. A member or former member who became totally and permanently disabled during his period of membership may file his application for total and permanent disability benefits within three years next following termination of public service, but not thereafter. This benefit shall begin to accrue (90 DAYS) following the commencement of disability, 90 days preceding the filing of the application, or, if annual or sick leave is paid for more than the said 90 day period, from the date salary ceased whichever is later. No payment shall accrue beyond the end of the month in which entitlement has terminated. If the disabilitant dies prior to negotiating the check for the month in which death occurs, payment will be made to the surviving spouse, or if none, to the designated beneficiary, or if none, to the estate.

Sec. 28. Minnesota Statutes 1982, section 353.651, subdivision 3, is amended to read:

Subd. 3. [RETIREMENT ANNUITY FORMULA.] The average salary as defined in subdivision 2, multiplied by two and one-half percent per year of allowable service for the first (20) 25 years and two percent per year of allowable service thereafter, shall determine the amount of the ("") normal ("") retirement annuity. If the member has earned allowable service for performing services other than those of a police officer or fire fighter, the annuity representing such service shall be computed in accordance with sections 353.29 and 353.30.

Sec. 29. Minnesota Statutes 1982, section 354.42, subdivision 5, is amended to read:

Subd. 5. *For the purpose of amortizing the unfunded entry-age normal liability an additional employer contribution shall be made in the amount of (3.05) 4.60 percent of the salary of each member (FOR THE PURPOSE OF AMORTIZING THE DEFICIT IN THE FUND). For the fiscal year ending June 30, 1985, the commissioner of finance shall increase allotments to state agencies having members covered by the teachers retirement association in an amount equal to 1.55 percent of the salaries of basic and coordinated plan members of the teachers' retirement fund.*

This contribution shall be made in the manner provided in section 354.43.

Sec. 30. Minnesota Statutes 1982, section 354.44, subdivision 6, is amended to read:

Subd. 6. [COMPUTATION OF FORMULA PROGRAM RETIREMENT ANNUITY.] (1) The formula retirement an-

nuity hereunder shall be computed in accordance with the applicable provisions of the formula stated in clause (2) hereof on the basis of each member's average salary for the period of his formula service credit. For the purposes of computing the formula benefits under the formula and variable program, if a combination of these formulas is used, the formula percentages used will be those percentages in each formula as continued for the respective years of service from one formula to the next.

For all years of formula service credit "average salary" for the purpose of determining the member's retirement annuity means the average salary upon which contributions were made and upon which payments were made to increase the salary limitation provided in Minnesota Statutes 1971, Section 354.511 for the highest five successive years of formula service credit provided however that such "average salary" shall not include any more than the equivalent of 60 monthly salary payments.

(2) The average salary as defined in clause (1), multiplied by the following percentages per year of formula service credit shall determine the amount of the annuity to which the member qualifying therefor is entitled:

	Coordinated Member	Basic Member
Each year of service during first ten	1.0 percent per year	2.0 percent per year
Each year of service thereafter	1.5 percent per year	2.5 percent per year

(3) Where any member retires prior to age 65 under a formula annuity, (HE) *the member* shall be paid a retirement annuity in an amount equal to the normal annuity provided in this subdivision and subdivision 7, reduced by (ONE-HALF OF ONE PERCENT FOR EACH MONTH THAT THE MEMBER IS UNDER AGE 65 TO AND INCLUDING AGE 60 AND REDUCED BY) one-fourth of one percent for each month under age (60) 65 at the time of retirement except that for any member who has 30 or more years of allowable service credit, the reduction shall be applied only for each month which the member is under age 62.

Sec. 31. Minnesota Statutes 1982, section 354.46, subdivision 1, is amended to read:

Subdivision 1. [BASIC PROGRAM; BENEFITS FOR SPOUSE AND CHILDREN OF TEACHER.] If a basic member who has at least 18 months of allowable service credit and who has an average salary as defined in section 354.44, subdivision 6 equal to or greater than \$75 dies prior to retirement or if a former basic member who, at the time of death, was total-

ly and permanently disabled and receiving disability benefits pursuant to section 354.48 dies prior to attaining the age of 65 years, the surviving dependent spouse and dependent children of the basic member or former basic member shall be entitled to receive a monthly benefit as follows:

(a) Surviving dependent

spouse (30) 50 percent of the basic member's monthly average salary paid in the last full fiscal year preceding death

(b) Each dependent

child ten percent of the basic member's monthly average salary paid in the last full fiscal year preceding death

Payments for the benefit of any dependent child under the age of 22 years shall be made to the surviving parent, or if there be none, to the legal guardian of the child. The maximum monthly benefit shall not exceed (\$700) \$1,000 for any one family, and the minimum benefit per family shall not be less than (30) 50 percent of the basic member's average salary, subject to the foregoing maximum. The surviving dependent spouse benefit shall terminate upon remarriage, and the surviving dependent children's benefit shall be reduced pro tanto when any surviving child is no longer dependent.

If the basic member and the surviving dependent spouse are killed in a common disaster and if the total of all survivors benefits payable pursuant to this subdivision is less than the accumulated deductions plus interest payable, the surviving dependent children shall receive the difference in a lump sum payment.

If the survivor benefits provided in this subdivision exceed in total the monthly average salary of the deceased basic member, these benefits shall be reduced to an amount equal to the deceased basic member's monthly average salary.

Prior to payment of any survivor benefit pursuant to this subdivision, in lieu of that benefit, the surviving dependent spouse may elect to receive the joint and survivor annuity provided pursuant to subdivision 2, or may elect to receive a refund of accumulated deductions with interest in a lump sum as provided pursuant to sections 354.47, subdivision 1 or 354.62, subdivision 5, clause (3). If there are any surviving dependent children, the surviving dependent spouse may elect to receive the refund of accumulated deductions only with the consent of the district court of the district in which the surviving dependent child or children reside.

Sec. 32. Minnesota Statutes 1982, section 354.46, subdivision 2, is amended to read:

Subd. 2. [DEATH WHILE ELIGIBLE DESIGNATED BENEFICIARY BENEFIT.] The surviving spouse of any member or former member who has attained the age of at least 55 years and has credit for at least (20) ten years of allowable service or who has credit for at least 30 years of allowable service irrespective of age shall be entitled to joint and survivor annuity coverage in the event of death of the member prior to retirement. If the surviving spouse does not elect to receive a surviving spouse benefit provided pursuant to subdivision 1, if applicable, or does not elect to receive a refund of accumulated member contributions provided pursuant to sections 354.47, subdivision 1, or 354.62, subdivision 5, clause (3), whichever is applicable, the surviving spouse shall be entitled to receive, upon written application on a form prescribed by the executive director, a benefit equal to the second portion of a 100 percent joint and survivor annuity as provided pursuant to section 354.45 and computed pursuant to section 354.44, subdivisions 2, 6 or 7, whichever is applicable. If the member was a participant in the variable annuity division, the applicable portion of the benefit shall be computed pursuant to section 354.62, subdivision 5, clause (1). The benefit shall be payable for life.

Sec. 33. Minnesota Statutes 1982, section 354.48, subdivision 2, is amended to read:

Subd. 2. [APPLICATIONS.] Any person described in subdivision 1 may make application for a total and permanent disability benefit within 18 months following termination of teaching service but not thereafter. This benefit shall begin to accrue (90 DAYS) following the commencement of disability or the day following the date on which salary ceases, whichever is later, but shall not begin to accrue more than 90 days prior to the date the application is filed with the board. If salary is being received for either annual or sick leave during the period, payments shall accrue from the date salary ceases.

Sec. 34. Minnesota Statutes 1982, section 354.48, subdivision 3a, is amended to read:

Subd. 3a. [OPTIONAL ANNUITY ELECTION.] A disabled member may elect to receive the normal disability benefit or an optional annuity as provided in section 354.45, subdivision 1. The election of an optional annuity shall be made prior to commencement of payment of the disability benefit and shall be effective (30 DAYS AFTER RECEIPT OF THE ELECTION OR) and shall begin to accrue on the same date (ON WHICH) the disability benefit begins to accrue (, WHICHEVER OCCURS LATER. UPON BECOMING EFFECTIVE, THE OPTIONAL ANNUITY SHALL BEGIN TO ACCRUE ON THE SAME DATE AS PROVIDED FOR THE DISABILITY BENEFIT).

Sec. 35. Minnesota Statutes 1982, section 354.62, subdivision 5, is amended to read:

Subd. 5. [VARIABLE RETIREMENT ANNUITY.] (1) At retirement the amount of the member's variable account accumulation in the employee variable annuity contribution account, based on the valuation at the previous fiscal year end plus any contributions made by the person since the end of the previous fiscal year, and an equal amount from the employer variable annuity contribution account shall be transferred to the variable annuity reserve account, and the variable retirement annuity for the member shall be determined by the member's age, and sex, and the amount transferred for the member to the variable annuity reserve account at the date of retirement. The amount of the annuity shall be calculated on the basis of an appropriate annuity table of mortality with an interest assumption (AS PROVIDED IN SECTION 354.07, SUBDIVISION 1) of eight percent, except that if the member elects to have the accumulation transferred to the Minnesota post-retirement investment fund as authorized by clause (8), the annuity shall be calculated with an interest assumption of five percent.

(2) Whenever the admitted value of the annuity reserve account of the variable annuity division, as of June 30 of any year, exceeds or is less than the then present value of all variable annuities in force, determined in accordance with the rate of interest and approved actuarial tables then in effect, by at least two percent of the present value, the amount of each variable annuity payment shall be proportionately increased or decreased for the following year.

(3) The death benefit payable in the event of a member's death prior to retirement shall be a lump sum refund of a member's variable account accumulation, based on the valuation at the previous fiscal year end plus any contributions made by the person since the end of the previous fiscal year; to the surviving spouse, or if there is no surviving spouse to the designated beneficiary. Except that if a member has made an election in accordance with section 354.46, then the surviving spouse shall receive a joint and survivor annuity as described in section 354.44 and computed as provided in clause (1). An amount equal to the lump sum refund made in this clause shall be transferred from the employer contribution account to the variable annuity turnover account.

(4) Except as provided in section 354.44, subdivision 7, any person who ceases to be a member by reason of termination of teaching service, shall be entitled to a lump sum refundment of the member's variable account accumulations, based on the valuation at the previous fiscal year end plus any contributions made by the person since the end of the previous fiscal year. Application for a refundment may be made no sooner than 30 days after termination of teaching service if the applicant has

not again become a teacher. Repayment of a refundment upon resumption of teaching is not permitted under this section. An amount equal to the refundment to the member shall be transferred from the employer contribution account to the variable annuity turnover account.

(5) If a member is determined to be totally and permanently disabled as provided in sections 354.05, subdivision 14; and 354.48, the member shall be entitled to the annuity provided in this subdivision.

(6) Those members eligible for retirement as provided in section 354.44, subdivision 1 shall upon application for the annuity provided therein be entitled to the annuity provided in this subdivision. The annuity elected in accordance with sections 354.44, and 354.45 shall be the annuity applicable to this subdivision.

(7) Notwithstanding section 356.18, increases in annuity payments pursuant to this section shall be made automatically unless written notice is filed by the annuitant with the teachers retirement association board requesting that the increase not be made.

(8) At retirement, a member may elect to have the amount of the member's variable annuity accumulation in the employee variable annuity contribution account and an equal amount from the employer variable annuity contribution account transferred to the Minnesota post-retirement investment fund as provided in section 354.63, subdivision 2, clause (2). This election may also be made by a surviving spouse who receives an annuity under clause (3) of this subdivision. The election shall be made on a form provided by the executive secretary.

Sec. 36. Minnesota Statutes 1982, section 354A.23, is amended by adding a subdivision to read:

Subd. 3. [BENEFIT COMPUTATION FOR BASIC PROGRAMS.] Notwithstanding any article or bylaw to the contrary, for benefits in the basic plan of the Minneapolis and St. Paul teachers retirement fund associations, the discount for early retirement shall be three percent per year when discounts for early retirement are provided for in the bylaws.

Sec. 37. Minnesota Statutes 1982, section 354A.31, subdivision 6, is amended to read:

Subd. 6. [REDUCED RETIREMENT ANNUITY.] Upon retirement at an age prior to age 65 with ten years of service credit or prior to age 62 with at least 30 years of service credit, a coordinated member shall be entitled to a retirement annuity in an amount equal to the normal retirement annuity reduced by

(ONE-HALF) *one-fourth* of one percent for each month that the coordinated member is under the age of 65 if the coordinated member has less than 30 years of service credit or is under the age of 62 if the coordinated member has at least 30 years of service credit (BUT IS OVER THE AGE OF 59, AND REDUCED BY ONE-FOURTH OF ONE PERCENT FOR EACH MONTH THAT THE COORDINATED MEMBER IS UNDER THE AGE OF 60).

Sec. 38. Minnesota Statutes 1982, section 356.20, subdivision 4, is amended to read:

Subd. 4. [CONTENTS OF FINANCIAL REPORT.] Each financial report required by this section shall include:

(1) An exhibit prepared according to applicable actuarial standards enumerated in section 356.215, *and specified in rules adopted by the legislative commission on pensions and retirement* by an approved actuary as defined in section 356.215, subdivision 6 showing the accrued assets of the fund, the accrued liabilities, including accrued reserves, and the accrued unfunded liability of the fund. The exhibit shall contain the certificate of an approved actuary certifying that the required reserves for any benefits provided under a benefit formula are computed in accordance with the Entry Age Normal Cost (Level Normal Cost) actuarial method *and rules adopted by the legislative commission on pensions and retirement.*

(a) Assets shown in the exhibit shall include the following items of actual assets:

Cash in office

Deposits in banks

Accounts receivable:

Accrued members' contributions

Accrued employer contributions

Other

Accrued interest on investments

Dividends on stocks, declared but not yet received

Investment in bonds at amortized cost

Investment in stocks at cost

Investment in real estate

Equipment at cost, less depreciation

Other

Total assets

(b) The exhibit shall include a statement of the unfunded accrued liability of the fund. If the assets of the fund exceed the liabilities, the excess shall be listed as surplus and indicated in the exhibit following the item of reserves.

(c) The exhibit shall include a footnote showing accumulated member contributions without interest.

(d) Current liabilities shown in the exhibit shall include the following items:

Current:

Accounts payable

Annuity payments

Survivor benefit payments

Refund to members

Accrued expenses

Suspense items

Total current liabilities

(e) The exhibit shall include an item for accrued necessary reserves which shall be listed as "total reserves required as per attached schedule." The attached schedule shall contain the owing information on the reserves required:

1. For active members

a. Retirement benefits

b. Disability benefits

c. Refund liability due to death or withdrawal

d. Survivors' benefits

2. For deferred annuitants
3. For former members without vested rights
4. For annuitants
 - a. Retirement
 - b. Disability annuities
 - c. Surviving spouses' annuities
 - d. Surviving children's annuities

5. In addition to the foregoing, if there are additional benefits not appropriately covered by the foregoing four items of reserves required, they shall be listed separately.

(2) An income statement on an accrual basis showing all income and all deductions from income for the fiscal year. The statement shall show separate items for employee contributions, employer regular contributions, employer additional contributions if provided by law, investment income, profit on the sale of investments, and other income, if any.

(3) A statement of deductions from income, which shall include separate items for benefit payments, retirement benefits, disability benefits, surviving spouse benefits, surviving children's benefits, refunds to members terminating employment, refunds due to death of members and due to death of annuitants, the increase in total reserves required, general administrative expense incurred, loss on sale of investments, and any other deductions.

(4) A statement showing appropriate statistics as to membership and beneficiaries of the fund, with indications of changes in the statistical data which may result from the current year's operation.

(5) Any additional statements or exhibits which will enable the management of the fund to portray a true interpretation of the fund's financial condition, except that the term "surplus" or the term "excess of assets" shall not be used except as otherwise specifically provided for in this section, nor shall any representation of assets and liabilities other than as provided for in this section be included in the additional statements or exhibits.

(6) A more detailed or subdivided itemization of any of the items required by this section, if the management of the fund so desires.

Sec. 39. Minnesota Statutes 1982, section 356.215, subdivision 4, is amended to read:

Subd. 4. [ACTUARIAL VALUATIONS; CONTENTS.] Actuarial valuations shall be made in conformity with the requirements of the definition contained in subdivision 1 *and rules adopted by the legislative commission on pensions and retirement*. Each actuarial valuation shall measure all aspects of the fund in accordance with changes in benefit plans, if any, and salaries as will be in force during the ensuing fiscal year. Each actuarial valuation shall be in accordance with the entry age normal cost (level normal cost) method.

Each actuarial valuation required under this section shall include:

(1) For each fund providing any benefits under a benefit formula, the level normal cost of the benefits provided by the laws governing the fund as of the date of the valuation, computed in accordance with the entry age normal cost (level normal cost) method. The normal cost shall be expressed as a level percentage of the future payroll of the active participants of the fund as of the date of the valuation.

(2) The accrued liabilities of the fund which shall be equal to the present value of all benefits minus the present value of future normal costs calculated in accordance with the entry age normal cost method.

(3) For each fund providing benefits under the money purchase or defined contribution method, the member contributions accumulated at interest, as apportioned to members accounts, to the date of the valuation. These accumulations shall be separately tabulated in such manner as to reflect properly any differences in money purchase or defined contribution annuity rates which may apply.

(4) (AN) *For funds governed by chapters 3A, 352, 352B, 352C, 353, 354, 354A, and 490, a preretirement interest assumption of (FIVE) eight percent, a post-retirement interest assumption of five percent, and an assumption that in each future year the salary on which a retirement or other benefit is based is (1.035) 1.065 multiplied by the salary for the preceding year. For all other funds, a preretirement interest assumption of five percent, a post-retirement interest assumption of five percent, and an assumption that in each future year the salary on which a retirement or other benefit is based is 1.035 multiplied by the salary for the preceding year.*

(5) Other assumptions as to mortality, disability, retirement, withdrawal, entry age and retirement age (THAT ARE APPROPRIATE TO THE FUND, WHICH SHALL BE) set

(FORTH IN THE VALUATION REPORT) *at levels consistent with those determined in the most recent experience study completed pursuant to section 356.215, subdivision 5, and set forth in the valuation report.*

(6) An actuarial balance sheet showing (ACCRUED ASSETS, ACCRUED LIABILITIES, AND THE DEFICIT FROM FULL FUNDING OF LIABILITIES (UNFUNDED ACCRUED LIABILITY). THE ACCRUED LIABILITIES SHALL INCLUDE THE FOLLOWING REQUIRED RESERVES:)

((A) FOR ACTIVE MEMBERS)

(1. RETIREMENT BENEFITS)

(2. DISABILITY BENEFITS)

(3. REFUND LIABILITY DUE TO DEATH OR WITHDRAWAL)

(4. SURVIVORS' BENEFITS)

((B) FOR DEFERRED ANNUITANTS' BENEFITS)

((C) FOR FORMER MEMBERS WITHOUT VESTED RIGHTS)

((D) FOR ANNUITANTS)

(1. RETIREMENT ANNUITIES)

(2. DISABILITY ANNUITIES)

(3. SURVIVING SPOUSES' ANNUITIES)

(4. SURVIVING CHILDREN'S ANNUITIES)

current and expected future benefit obligations, current and expected future assets, and the current and expected future unfunded liabilities. Specifically, the balance sheet shall be organized in the following manner:

[CURRENT AND EXPECTED FUTURE ASSETS]

Current Assets

Cash and equivalents \$

<i>Fixed income investments</i>	.....
<i>Equity investments</i>	.....
Total Current Assets	.....	\$ .....
<i>Expected Future Assets</i>		
<i>Present value of expected future supplemental contributions</i>	.....
<i>Present value of future normal costs</i>	.....
Total Expected Future Assets	.....	\$ .....
Total Current and Expected Future Assets	.....	\$ .....
[CURRENT AND EXPECTED FUTURE BENEFIT OBLIGATIONS]		
<i>Current Benefit Obligations</i>		
<i>Actuarial value of benefit obligations on account of service rendered to date:</i>		
<i>For annuitants</i>		
<i>Retirement annuities</i>	.....	\$ .....
<i>Disability annuities</i>	.....
<i>Surviving spouses' annuities</i>	.....
<i>Surviving children's annuities</i>	.....
<i>For former members without vested rights</i>	.....
<i>For deferred annuitants' benefits</i>	.....
<i>For active employees</i>		
<i>Retirement benefits</i>	.....
<i>Disability benefits</i>	.....
<i>Refund liability due to death or withdrawal</i>	.....
<i>Survivors' benefits</i>	.....
Total Current Benefit Obligations	.....	\$ .....
<i>Expected Future Benefit Obligations</i>	.....

Actuarial value of benefit obligations on account of future service for active employees

Total Current and Expected Future Benefit Obligations \$

Current Unfunded Liability

(Total Current Benefit Obligations less Total Current Assets): \$

Current and Future Unfunded Liability

(Total Current and Expected Future Benefit Obligations less Total Current and Expected Future Assets): \$

For the purpose of this subdivision, the terms

(a) "expected future statutory supplemental contributions" means the sum of future employee and employer contributions at the rates specified in statute at the time the valuation is completed reduced by the present value of future normal costs; and

(b) "current assets" means the value of all assets at cost, plus one-third of any unrealized capital gains or losses, plus realized income, including realized capital gains or losses.

In addition to the above (REQUIRED RESERVES) itemization of benefit obligations, separate items shall be shown for additional benefits, if any, which may not be appropriately included in the (RESERVES LISTED) list shown above.

(7) In addition to the level normal cost, the additional annual contribution which would be required to retire the current unfunded accrued liability. For funds governed by chapters 3A, 352, 352B, 352C, 353, 354, 354A, and 490, the additional contribution shall be calculated on a level (DOLLAR BASIS BY THE ESTABLISHED DATE FOR FULL FUNDING WHICH IS IN EFFECT AT THE TIME OF THE VALUATION) percent basis by the established date for full funding which is in effect at the time of the valuation. The level percent additional contribution shall be calculated assuming annual payroll growth of 6.5 percent. For all other funds, the additional annual contribution shall be calculated on a level dollar basis.

If, after the first actuarial valuation date occurring after June 1, 1979, there has not been a change in any or all of the actuarial assumptions used for calculating the accrued liability of the fund, a change in the benefit plan governing annuities

and benefits payable from the fund, a change in the actuarial cost method used in calculating the accrued liability of all or a portion of the fund, or a combination of the three, which change or changes by themselves without inclusion of any other items of increase or decrease produce a net increase in the unfunded accrued liability of the fund, the established date for full funding for the first actuarial valuation made after June 1, 1979 and each successive actuarial valuation shall be the first actuarial valuation date which occurs after June 1, 2009.

If after the first actuarial valuation date occurring after June 1, 1979, there has been a change in any or all of the actuarial assumptions used for calculating the accrued liability of the fund, a change in the benefit plan governing annuities and benefits payable from the fund, a change in the actuarial cost method used in calculating the accrued liability of all or a portion of the fund, or a combination of the three, which change or changes by themselves without inclusion of any other items of increase or decrease produce a net increase in the unfunded accrued liability in the fund, the established date for full funding shall be determined using the following procedure:

(i) The unfunded accrued liability of the fund shall be determined in accordance with the plan provisions governing annuities and retirement benefits and the actuarial assumptions in effect prior to an applicable change;

(ii) The level annual dollar contribution or level percentage, whichever is applicable, which is needed to amortize the unfunded accrued liability amount determined pursuant to subclause (i) by the established date for full funding in effect prior to the change shall be calculated using the interest assumption specified in clause (4) in effect prior to the change;

(iii) The unfunded accrued liability of the fund shall be determined in accordance with any new plan provisions governing annuities and benefits payable from the fund and any new actuarial assumptions and the remaining plan provisions governing annuities and benefits payable from the fund and actuarial assumptions in effect prior to the change;

(iv) The level annual dollar contribution or level percentage, whichever is applicable, which is needed to amortize the difference between the unfunded accrued liability amount calculated pursuant to subclause (i) and the unfunded accrued liability amount calculated pursuant to subclause (iii) over a period of 30 years from the end of the plan year in which the applicable change is effective shall be calculated using the interest assumption specified in clause (4) in effect subsequent to any applicable change;

(v) The level annual dollar or level percentage amortization contribution pursuant to subclause (iv) shall be added to the

level annual dollar amortization contribution or level percentage calculated pursuant to subclause (ii);

(vi) The period in which the unfunded accrued liability amount determined in subclause (iii) will be amortized by the total level annual dollar or level percentage amortization contribution computed pursuant to subclause (v) shall be calculated using the interest assumption specified in clause (4) in effect subsequent to any applicable change, rounded to the nearest integral number of years, but which shall not exceed a period of 30 years from the end of the plan year in which the determination of the established date for full funding using the procedure set forth in this clause is made and which shall not be less than the period of years beginning in the plan year in which the determination of the established date for full funding using the procedure set forth in this clause is made and ending by the date for full funding in effect prior to the change; and

(vii) The period determined pursuant to subclause (vi) shall be added to the date as of which the actuarial valuation was prepared and the date obtained shall be the new established date for full funding.

(8) AN ACTUARIAL BALANCE SHEET SHALL NOT INCLUDE AS AN ASSET THE PRESENT VALUE OF THE CONTRIBUTIONS REQUIRED UNDER CLAUSE (7).)

(9) (8) An analysis by the actuary explaining the increase or decrease in the unfunded accrued liability since the last valuation. The explanation shall subdivide the increase or decrease in unfunded accrued liability into at least the following parts:

(a) Increases or decreases in unfunded accrued liability because of changes in benefits;

(b) Increases and decreases in unfunded accrued liability because of each change, if any, in actuarial assumptions;

(c) Actuarial gains or losses resulting from any deviations of actual investment earnings, actual mortality rates, actual salary increase rates, actual disability rates, actual withdrawal rates and actual retirement rates from the assumptions on which the valuations are based;

(d) Increases or decreases in unfunded accrued liability because of other reasons, including the effect of the amortization contribution required under clause (7); and

(e) Increases or decreases in unfunded accrued liability because of changes in eligibility requirements or groups included in the membership of the fund.

((10)) (9) A tabulation of active membership and annuitants in the fund. If the membership of a fund is under more than one general benefit program, a separate tabulation shall be made for each general benefit program. The tabulations shall be submitted in the following form:

Annual

(a) Active members Number Payroll

As of last valuation date
new entrants

Total

Separations from active service

Refund of contributions

Separation with deferred annuity

Separation with neither refund
nor deferred annuity

Disability

Death

Retirement with service annuity

Total separations

As of current valuation date

Annual Annuity

(b) Annuitants Number Benefit

As of last valuation date

New entrants

Total

Terminations

Deaths

Other

Total terminations

As of current valuation date

The tabulation required under subclause (b) shall be made separately for each of the following classes of annuitants:

- (a) Service retirement annuitants
- (b) Disabled annuitants
- (c) Surviving spouse annuitants
- (d) Surviving children annuitants
- (e) Deferred annuitants

((11)) (10) A statement of the administrative expenses in dollars and also as a percentage of covered payroll.

((12)) (11) A summary of the principal provisions of the plan upon which the valuation is based.

Sec. 40. [356.70] [EARLY RETIREMENT.]

Subdivision 1. [COMBINED AGE AND SERVICE REQUIREMENT.] Any member of a retirement plan established pursuant to chapters 352, 353, 354, or 354A whose attained age plus credited allowable service totals 85, is entitled, upon application prior to June 30, 1987, to the normal retirement annuity provided in these chapters without any reduction in annuity by reason of such early retirement.

Any member of the state patrol retirement fund, established pursuant to chapter 352B, the correctional employees retirement program, established pursuant to chapter 352, or the public employee police and fire fund, established pursuant to chapter 353, who has attained the age of at least 50 years and whose attained age plus credited allowable service totals 75, is entitled, upon application prior to June 30, 1987, to the normal retirement annuity provided in those chapters without any reduction in annuity by reason of such early retirement.

Subd. 2. [REPORTS.] The retirement associations to which this section applies shall request and the employing units of members retiring under the provisions of this section shall provide to the retirement association information on the salary, retirement contributions, and social security contributions paid by the employing unit to individuals filling the position vacated by the retiree. The employing unit shall also provide information on net savings, if any, made possible by the provisions of this section.

The retirement associations shall prepare a report to the legislature summarizing this information and other information in its possession relating to characteristics of retirees retiring under the provisions of this section including:

- (a) age at time of retirement;*
- (b) years of service;*
- (c) salary at time of retirement;*
- (d) high-five average salary used to determine the retirement annuity; and*
- (e) monthly benefit.*

The report shall be made to the legislature by December 31, 1986 and shall cover all retirees retiring under the provisions of this section.

Sec. 41. Minnesota Statutes 1982, section 490.124, subdivision 3, is amended to read:

Subd. 3. [EARLY RETIREMENT.] The retirement annuity provided by subdivision 1 of any judge electing to retire at an early retirement date shall be reduced by (1/15th FOR EACH FULL YEAR OR FRACTION THEREOF) *one-quarter of one percent for each month* from (HIS) retirement date to normal retirement date.

Sec. 42. Laws 1983, chapter 301, section 225, subdivision 1, is amended to read:

Subdivision 1. [REIMBURSEMENT REQUIRED.] Any public employee or official (WHO RETIRES FROM JANUARY 1, 1983 to JUNE 30, 1985, 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) *between October 1 and October 15, 1984, except that refunds to employees or officials retiring or terminating service prior to October 1, 1984, shall be paid at the same time as the first annuity payment or within 90 days after termination, as the case may be.* The amount of the reimbursement is the amount that the employee's or official's contributions 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.*

Sec. 43. Laws 1983, chapter 301, section 225, is amended by adding a subdivision to read:

Subd. 1a. [CREDIT REQUIRED.] The executive director of the Minnesota state retirement system shall credit to the share account in the supplemental retirement fund of any participant in the unclassified employees program established by Minnesota Statutes, chapter 352D, 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 sufficient to make the credits required by this subdivision are appropriated from the general fund to the executive director.

Sec. 44. [COMMISSIONER OF FINANCE TO REDUCE ALLOTMENTS.]

The commissioner of finance shall reduce the fiscal year 1985 allotments to any agencies or institutions receiving a state appropriation pursuant to Laws 1983, chapters 258, 293, 301, or 312 and having employees contributing to the public employees retirement association, state employees retirement fund, the correctional employees retirement fund, and the highway patrol retirement fund. The reduction shall be in an amount equal to the estimated fiscal year 1985 salaries of members of these plans multiplied by the differences between the employer contribution rate in effect prior to July 1, 1984, and the employer rate in effect after June 30, 1984.

Sec. 45. [ANNUAL APPROPRIATION.]

There is appropriated and transferred from the general fund to the commissioner of finance, \$1,000,000 annually for distribution among those local police and salaried firefighters relief associations that receive amortization state aid according to Minnesota Statutes, section 423A.02. Distribution shall be made according to that proportion the unfunded accrued liability of each relief association bears to the total unfunded accrued liabilities of all relief associations as reported in the most recent actuarial valuations of the relief associations that receive amortization state aid according to section 423A.02. Moneys shall be distributed to the relief associations at the same time fire and police department state aid is distributed according to section 69.021.

Sec. 46. Laws 1983, chapter 314, article 12, section 1, subdivision 2, is amended to read:

Subd. 2. [TEACHERS RETIREMENT ASSOCIATION: TEACHERS STATEWIDE.] To the teachers retirement association, to meet the state's obligation prescribed in Minnesota Statutes, section 354.43, there is appropriated:

\$87,508,200 1984,

\$(92,137,200) 106,035,000 1985.

Sec. 47. [TEACHERS RETIREMENT ASSOCIATION FUNDING.]

There is appropriated to the commissioner of finance from the general fund \$1,965,000 for the purpose of meeting the increased contribution requirements for the teacher's retirement fund necessitated by the passage of section 28, during the fiscal year commencing July 1, 1984.

Sec. 48. [REPEALER.]

Minnesota Statutes 1982, sections 352.022; 353.38; and 354.07, subdivision 8; and Laws 1983, chapter 301, section 225, subdivision 2, are repealed.

Sec. 49. [EFFECTIVE DATES.]

Sections 2, 3, 4, 5, 7, 8, 9, 16, 20, 22, 23, and 29 are effective July 1, 1984. The remaining sections are effective the day following final enactment. The provisions of section 39 are applicable to all valuations performed beginning with the valuations for the fiscal year ending June 30, 1984."

Delete the title and insert:

"A bill for an act relating to retirement; making various changes in benefits, contributions, and financing in laws governing various public pension funds; guaranteeing public pensions; directing reimbursement or credit of certain public pension contributions; appropriating funds; amending Minnesota Statutes 1982, sections 3.85, by adding subdivisions; 3A.02, subdivisions 1b and 3; 3A.03, subdivision 1; 352.04, subdivisions 2 and 3; 352.113, subdivision 3; 352.115, subdivision 1; 352.116, subdivision 1; 352.12, subdivision 2; 352.92; 352.93, subdivisions 2 and 3; 352.95, subdivision 1a; 352C.031, subdivision 2; 353.27, subdivisions 2 and 3a; 353.30, subdivision 1c; 353.31, subdivision 1; 353.32, subdivision 1a; 353.33, subdivision 2; 353.651, subdivision 3; 354.42, subdivision 5; 354.44, subdivision 6; 354.46, subdivisions 1 and 2; 354.48, subdivisions 2 and 3a; 354.62, subdivi-

sion 5; 354A.23, by adding a subdivision; 354A.31, subdivision 6; 356.20, subdivision 4; 356.215, subdivision 4; 490.124, subdivision 3; Minnesota Statutes 1983 Supplement, sections 352.113, subdivision 2; 352.115, subdivision 8; 352B.02, subdivision 1; and Laws 1983, chapters 301, section 225, subdivision 1, and by adding a subdivision; chapter 314, article 12, section 1, subdivision 2; proposing new law coded in Minnesota Statutes, chapters 3A, and 356; and repealing Minnesota Statutes 1982, sections 352.022; 353.38; and 354.07, subdivision 8; and Laws 1983, chapter 301, section 225, subdivision 2."

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.

Rice from the Committee on Appropriations 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 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.

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 NEW-BORN 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 un-

derwrites 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 reasonably be made by the health maintenance organization. This option shall be made available at the enrollee's expense, without further evidence of insurability and without interruption of coverage.*

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, length of enrollment in the plan, or economic status; and during every open enrollment period in which all offered health benefit plans, including those subject to the jurisdiction of the commissioners of commerce or health, fully participate without any underwriting restrictions, copayment provisions shall not discriminate on the basis of preexisting health status. In no event shall the annual copayment exceed the maximum out-of-pocket expenses allowable for a number three qualified insurance policy under section 62E.06. Where sections 62D.01 to 62D.30 permit a health maintenance organization to contain reasonable copayment provisions for preexisting health status, these provisions may vary with respect to length of enrollment in the plan. Any contract may provide for health care services in addition to those set forth in subdivision 7. Underwriting restrictions shall include, but not be limited to, the use of copayments, deductibles, evidence of insurability, or any other financial device that limits benefits or dollar coverage for certain benefits offered under health benefit plans.*

Sec. 9. Minnesota Statutes 1982, section 62D.02, is amended by adding a subdivision to read:

Subd. 12. "Participating entity" means any of the following persons, providers, companies, or other organizations with which the health maintenance organization has contracts or other agreements:

(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 (a) another health maintenance organization with which a health maintenance organization has made contractual arrangements or (b) any entity with which a health maintenance organization has contracted primarily in order to purchase or lease equipment or space or (c) employees of the health maintenance organization or (d) employees of any participating entity identified in clause (3) of this subdivision.

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 annual revenues;

(2) a participating entity providing administrative, financial, or management services to the health maintenance organization, if the total payment for all services provided by the participating entity 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 prepaid 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 shareholders of the applicant organization; and*

(2) *all members of the board of directors, or governing body of the local government unit, and the principal officers of the major participating entity and each shareholder beneficially owning more than ten percent of any voting stock of the major participating entity;*

The commissioner may by rule identify persons included in the term "principal officers";

(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. 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 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. The commissioner shall notify a major participating entity within 30 days if a contract may be disapproved.

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.

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 actual expenses and revenues. These contracts are subject to the provisions of section 62D.19,

but are not subject to the prospective review prescribed by this clause, unless or until the terms of the contract are modified.

((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, subdivision 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 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 organization. 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 require-

ment 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 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 pre-paid 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 nonprofit health service plan corporations to insure or cover the enrollees' costs and expenses in the health maintenance orga-

nization, 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 initiate a legal proceeding when dissatisfied with the health maintenance organization's final 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.

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, as those services relate to the health maintenance organization, 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. Any health maintenance organization which fails to file a verified report with the commissioner on or before April 1 of the year due shall be subject to the levy of a fine up to \$500 for each day the report is past due. This failure 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. Any fine levied or disciplinary action taken against the organization under this subdivision is subject to the contested case and judicial review provisions of sections 14.57 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. Any health maintenance organization which fails to notify the commissioner within the time periods prescribed in this subdivision shall be subject to the levy of a fine up to \$100 per contract for each day the notice is past due, accruing up to the date the organization notifies the commissioner of the cancellation or discontinuance. Any fine levied under this subdivision is subject to the contested case and judicial review provisions of chapter 14.

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 detailed description 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 be accompanied by 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) June 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 EN-

ROLLEES 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 treatment, either inpatient or outpatient, is necessary, the enrollee shall immediately be entitled to a second opinion by a health care professional qualified in diagnosis and treatment of the problem. An enrollee who seeks a second opinion from a health care professional not affiliated with the health maintenance organiza-

tion must do so at his or her own expense. 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 REDUCED 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 main-

tenance organization and its contracts, agreements, or other arrangements with (PROVIDERS) *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 *with respect to the dealings of the participating entities with the health maintenance organization*, 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); (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 a law applicable to health maintenance organizations 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.* 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 expense 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 relevant information necessary for conducting examinations pursuant to this section shall be subject to the levy of a fine up to \$200 for each day the information is not provided. A fine levied under this subdivision shall be subject to the contested case and judicial review provisions of chapter 14. In the event a timely request for review is made, accrual of a fine levied shall be stayed pending completion of the contested case and judicial review proceeding.*

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, for any violation of statute or rule applicable to a health maintenance organization, or 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 15 days from the date the hearing is requested. The commissioner has 15 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 hearing examiner 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.]

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.

In an effort to achieve the stated purposes of 62D.01 to 62D.29; in order to safeguard the underlying nonprofit status 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 the health maintenance organization and its enrollees; when determining whether an organization has incurred an unreasonable expense in relation to a major participating entity, due consideration shall be given to, in addition to any other appropriate factors, whether the officers and trustees of the health maintenance organization have acted with good faith and in the best interests of the health maintenance organization in entering into, and performing under, a contract under which the health maintenance organization has incurred an expense.

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. [STUDY OF COPAYMENT RESTRICTION.]

The commissioner shall solicit information from consumers, health maintenance organizations, insurers, employers, and other interested parties concerning the impact of restrictions on copayment discrimination based upon preexisting health status. The commissioner shall report a summary of the information along with an analysis and recommendation concerning the need to continue the restrictions on copayment discrimination upon preexisting health status by March 1, 1986.

Sec. 46. [REPEALER.]

Minnesota Statutes 1982, sections 62D.10, subdivision 2; 62D.12, subdivision 7; 62D.22, subdivision 9; and 62D.27, are repealed.

Sec. 47. [EFFECTIVE DATE.]

Section 12 is effective the day following final enactment. Sections 17 and 24 are effective January 1, 1985. The prohibition against discrimination on the basis of preexisting health status contained in section 8, is effective for contracts effective on or after January 1, 1985."

With the recommendation that when so amended the bill pass.

The report was adopted.

Pursuant to rule 1.16, H. F. No. 1561 was re-referred to the Committee on Rules and Legislative Administration.

Rice from the Committee on Appropriations to which was referred:

H. F. No. 2060, 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.

Reported the same back with the following amendments:

Page 1, delete lines 14 through 20 and insert:

"Additionally, this report shall include these provisions, developed in consultation with counties, mental health service providers, mental health advocacy groups, and other appropriate professionals as follows:

(1) a description and definition of services for mentally ill persons which comprise a comprehensive array of preventive, supportive and rehabilitative services, including residential arrangements;

(2) recommendations specifying a minimum capability which should be made available by counties for mentally ill persons; and

(3) specific recommendations designed to improve the quality of and access to services provided by the counties for mentally ill persons, including the administrative and program costs of each recommendation.

These recommendations shall be developed within the framework of Minnesota Statutes, chapter 256E."

Page 1, after line 20, insert:

"Sec. 2. [APPROPRIATION.]

There is appropriated from the general fund to the commissioner of public welfare for the biennium ending June 30, 1985, \$56,700 for the purposes of this act.

Sec. 3. [EFFECTIVE DATE.]

This act is effective the day after final enactment."

With the recommendation that when so amended the bill pass.

The report was adopted.

Pursuant to rule 1.16, H. F. No. 2060 was re-referred to the Committee on Rules and Legislative Administration.

Rice from the Committee on Appropriations to which was referred:

H. F. No. 2098, A bill for an act relating to public welfare; requiring financial statements by providers of continuing care facilities; allowing residents to form associations; revising procedures for determining operating cost payment rates for nursing homes; appropriating money; amending Minnesota Statutes 1982, section 144.072; Minnesota Statutes 1983 Supplement, sec-

tions 45.16, subdivision 2; 144A.31, subdivision 4; 256B.421, subdivisions 2, 5, and 8; 256B.431, subdivisions 1, 2, 4, 5, and by adding a subdivision; 256B.50; proposing new law coded in Minnesota Statutes, chapters 80D; 144; and 256B.

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. 2. [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 1983 Supplement, section 144A.071, subdivision 2, is amended to read:

Subd. 2. [MORATORIUM.] Notwithstanding the provisions of the Certificate of Need Act, sections 145.832 to 145.845, or any other law to the contrary, the commissioner of health, in coordination with the commissioner of public welfare, shall deny

each request by a nursing home or boarding care home, except an intermediate care facility for the mentally retarded, for addition of new certified beds or for a change or changes in the certification status of existing beds except as provided in subdivision 3. The total number of certified beds in the state in the skilled level and in the intermediate levels of care shall remain at or decrease from the number of beds certified at each level of care on May 23, 1983, except as allowed under subdivision 3. "Certified bed" means a nursing home bed or a boarding care bed certified by the commissioner of health for the purposes of the medical assistance program, under United States Code, title 42, sections 1396 et seq. *Any beds decertified pursuant to this subdivision shall immediately become available for certification by other nursing homes or boarding care homes in the same health service area. This certification shall be applied for, reviewed and approved or disapproved in accordance with the procedures required by the National Health Planning and Resources Development Act 42 U.S.C. section 300K et seq.*

The commissioner of health shall decertify all beds in a nursing home or boarding care facility which has completely ceased participation in the medical assistance program. The decertification shall be effective the same day in which the nursing home or boarding care facility ceases participation in the medical assistance program. Subsequent requests for recertification of the beds shall be denied by the commissioner of health, except as allowed under subdivision 3. For purposes of this subdivision "ceased participation" means that a nursing home or boarding care facility has no currently eligible medical assistance residents, is not accepting new medical assistance resident admissions, and whose provider agreement has been terminated either by the provider or by the commissioner of public welfare. Certified beds in facilities which do not allow medical assistance intake on July 1, 1984 or after shall be deemed to be decertified for purposes of this section only and shall be recertified only in accordance with subdivisions 2 and 3.

The commissioner of public welfare, in coordination with the commissioner of health, shall deny any request to issue a license under sections 245.781 to 245.812 and 252.28 to a nursing home or boarding care home, if that license would result in an increase in the medical assistance reimbursement amount.

Sec. 6. 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. 7. [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. 8. 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. 9. Minnesota Statutes 1982, section 256B.25, is amended to read:

256B.25 [PAYMENTS TO (LICENSED) CERTIFIED FACILITIES.]

Subdivision 1. Payments may not be made hereunder for care in any private or public institution, including but not limited to hospitals and nursing homes, unless licensed by an appropriate licensing authority of this state, any other state, or a Canadian province and if applicable, certified by an appropriate authority under United States Code, title 42, sections 1396 et seq.

Subd. 2. The payment of state or county funds to nursing homes, boarding care homes, and supervised living facilities, except payments to state operated institutions, for the care of persons who are eligible for medical assistance, shall be made only through the medical assistance program, except as provided in subdivision 3.

Subd. 3. The limitation in subdivision 2 shall not apply to:

(a) payment of Minnesota supplemental assistance funds to recipients who reside in facilities which are involved in litigation contesting their designation as an institution for treatment of mental disease;

(b) payment or grants to a boarding care home or supervised living facility licensed by the DPW under 12 MCAR 2.036, 12

MCAR 2.035, 12 MCAR 2.005, or 12 MCAR 2.008, or payment to recipients who reside in these facilities;

(c) payments or grants to a boarding care home or supervised living facility which are ineligible for certification under United States Code, title 42, sections 1396 et seq;

(d) payments or grants to similar facilities or recipients if approved by the commissioner.

Sec. 10. 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. 11. 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. 12. 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. 13. 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, limi-

tations 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 2.65 hours per day for intermediate care.*

Sec. 14. 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 reporting 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 limits established by the commissioner shall not be less, in the aggregate, than the 60th percentile of total 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:

(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, size of the nursing home, and the costs that must be incurred for the care of residents in efficiently and economically operated nursing homes. 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 shall establish efficiency incentives as appropriate. 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 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 inter-agency 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, procedures 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 who need (FOR) respite care for a specified and limited time period (, AND). In addition, the commissioner shall take into consideration facilities which historically provided nursing hours at or near the maximum limits which were subsequently reduced as a consequence of payment rate reductions. The payment rate shall be based on an assessment of the nursing home's resident mix as determined by the commissioner of health. When circumstances dictate, the com-*

missioner has authority to renegotiate payment rates for an additional period of time. 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. 15. 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. 16. 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. 17. 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 16, 18 and 20. 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. 18. Minnesota Statutes 1983 Supplement, section 256B.48, subdivision 1, is amended to read:

Subdivision 1. [PROHIBITED PRACTICES.] A nursing home is not eligible to receive medical assistance payments unless it refrains from:

(a) Charging private paying residents rates for similar services which exceed those which are approved by the state agency for medical assistance recipients as determined by the prospective desk audit rate, except under the following circumstances: the nursing home may (1) charge private paying residents a higher rate for a private room, and (2) charge for special services which are not included in the daily rate if medical assistance residents are charged separately at the same rate for the same services in addition to the daily rate paid by the commissioner. Services covered by the payment rate must be the same regardless of payment source. Special services, if offered, must be offered to all residents and charged separately at the same rate. Residents are free to select or decline special services. Special services must not include services which must be provided by the nursing home in order to comply with licensure or certification standards and that if not provided would result in a deficiency or violation by the nursing home. Services beyond those required to comply with licensure or certification standards must not be charged separately as a special service if they were included in the payment rate for the previous reporting year. A nursing home that charges a private paying resident a rate in violation of this clause is subject to an action by the state of Minnesota or any of its subdivisions or agencies for civil damages. A private paying resident or the resident's legal representative has a cause of action for civil damages against a

nursing home that charges the resident rates in violation of this clause. The damages awarded shall include three times the payments that result from the violation, together with costs and disbursements, including reasonable attorneys' fees or their equivalent. A private paying resident or the resident's legal representative, the state, subdivision or agency, or a nursing home may request a hearing to determine the allowed rate or rates at issue in the cause of action. Within 15 calendar days after receiving a request for such a hearing, the commissioner shall request assignment of a hearing examiner under sections 14.48 to 14.56 to conduct the hearing as soon as possible or according to agreement by the parties. The hearing examiner shall issue a report within 15 calendar days following the close of the hearing. The prohibition set forth in this clause shall not apply to facilities licensed as boarding care facilities which are not certified as skilled or intermediate care facilities level I or II for reimbursement through medical assistance;

(b) Requiring an applicant for admission to the home, or the guardian or conservator of the applicant, as a condition of admission, to pay any fee or deposit in excess of \$100, loan any money to the nursing home, or promise to leave all or part of the applicant's estate to the home;

(c) Requiring any resident of the nursing home to utilize a vendor of health care services who is a licensed physician or pharmacist chosen by the nursing home;

(d) (REQUIRING ANY APPLICANT TO THE NURSING HOME, OR THE APPLICANT'S GUARDIAN OR CONSERVATOR, AS A CONDITION OF ADMISSION, TO ASSURE THAT THE APPLICANT IS NEITHER ELIGIBLE FOR NOR WILL SEEK PUBLIC ASSISTANCE FOR PAYMENT OF NURSING HOME CARE COSTS) *Providing differential treatment on the basis of status with regard to public assistance;*

(e) *Discriminating in admissions, services offered, or room assignment on the basis of status with regard to public assistance. Admissions discrimination shall include, but is not limited to:*

1) *basing admissions decisions upon assurance by the applicant to the nursing home, or the applicant's guardian or conservator, that the applicant is neither eligible for nor will seek public assistance for payment of nursing home care costs;*

2) *engaging in preferential selection from waiting lists based on an applicant's ability to pay privately.*

The collection and use by a nursing home of relevant financial information about any applicant screened under the provisions of the pre-admission screening program established

by section 256B.091 shall not of itself raise an inference that the nursing home is utilizing that information for any purpose prohibited by this paragraph;

((E)) (f) Requiring any vendor of medical care as defined by section 256B.02, subdivision 7, who is reimbursed by medical assistance under a separate fee schedule, to pay any portion of his fee to the nursing home except as payment for renting or leasing space or equipment of the nursing home or purchasing support services, if those agreements are disclosed to the commissioner; and

((F)) (g) Refusing, for more than 24 hours, to accept a resident returning to his same bed or a bed certified for the same level of care, in accordance with a physician's order authorizing transfer, after receiving inpatient hospital services.

The prohibitions set forth in clause (b) shall not apply to a retirement home with more than 325 beds including at least 150 licensed nursing home beds and which:

(1) is owned and operated by an organization tax-exempt under section 290.05, subdivision 1, clause (i); and

(2) accounts for all of the applicant's assets which are required to be assigned to the home so that only expenses for the cost of care of the applicant may be charged against the account; and

(3) agrees in writing at the time of admission to the home to permit the applicant, or his guardian, or conservator, to examine the records relating to the applicant's account upon request, and to receive an audited statement of the expenditures charged against his individual account upon request; and

(4) agrees in writing at the time of admission to the home to permit the applicant to withdraw from the home at any time and to receive, upon withdrawal, the balance of his individual account.

The commissioner may continue to make medical assistance payments to a nursing home or boarding care home which is in violation of this section if extreme hardship to the residents would result. In these cases the commissioner shall issue an order requiring the nursing home to correct the violation. The nursing home shall have 20 days from its receipt of the order to correct the violation. If the violation is not corrected within the 20 day period the commissioner may reduce the payment rate to the nursing home by up to 20 percent. The amount of the payment rate reduction shall be related to the severity of the violation, and shall remain in effect until the violation is corrected. The nursing home or boarding care home may appeal

the commissioner's action pursuant to the provisions of chapter 14 pertaining to contested cases. An appeal shall be considered timely if written notice of appeal is received by the commissioner within 20 days of notice of the commissioner's proposed action.

In the event that the commissioner determines that a nursing home is not eligible for reimbursement for a resident who is eligible for medical assistance, the commissioner may authorize the nursing home to receive reimbursement on a temporary basis until the resident can be relocated to a participating nursing home.

Sec. 19. [256B.491] [WAIVERED SERVICES.]

Subdivision 1. [STUDY.] The commissioner of public welfare shall prepare a study on the characteristics of providers who have the potential for offering home and community-based services under federal waivers authorized by United States Code, Title 42, sections 1396 to 1396p. The study shall include, but not be limited to:

(a) An analysis of the characteristics of providers presently involved in offering services to the elderly, chronically ill children, disabled persons under age 65, and mentally retarded persons;

(b) The potential for conversion to waivered services of facilities which currently provide services to the disability groups enumerated in clause (a);

(c) Proposals for system redesign to include (1) profiles of the types of providers best able, within reasonable fiscal constraints, to serve the needs of clients and to fulfill public policy goals in provision of waivered services, (2) methods for limiting concentration of facilities providing services under waiver, (3) methods for insuring that services are provided by the widest array of provider groups.

The commissioner shall present the study to the legislature no later than March 15, 1985.

Subd. 2. [CONTROL LIMITED.] Until July 1, 1985, no one person shall control the delivery of waivered services to more than 50 persons receiving waivered services as authorized by section 256B.501. For the purposes of this section the following terms have the meanings given them:

(1) A "person" is an individual, a corporation, a partnership, an association, a trust, an unincorporated organization, a subsidiary of an organization, and an affiliate. A "person" does not include any governmental authority, agency or body.

(2) An "affiliate" is a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with another person.

(3) "Control" including the terms "controlling", "controlled by", and "under the common control with" is the possession, direct or indirect, or the power to direct or cause the direction of the management, operations or policies of a person, whether through the ownership of voting securities, by contract, through consultation or otherwise.

Sec. 20. 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. 21. [256B.504] [ACQUISITION LIMITATION.]

Subdivision 1. [CONTROL LIMITED.] Except for beds in state operated institutions, no one person shall control more than ten percent of any one classification of the beds certified for

medical assistance for a period of one year from the effective date of this section. For purposes of this section, beds certified as skilled, intermediate care levels one and two shall be combined into one classification. Facilities certified as intermediate care facilities mentally retarded shall be considered a separate classification. In no case shall any one person control more than an aggregate ten percent of the certified beds in a given classification within the state of Minnesota. For purposes of computing the ten percent limitation, certified beds in state operated institutions shall be excluded. Any person controlling more than ten percent of the beds in any given classification shall divest itself of such excess within 18 months of the effective date of this law. For the purposes of this section the following terms have the meanings given them:

(1) A "person" is an individual, a corporation, a partnership, an association, a trust, an unincorporated organization, a subsidiary of an organization, and an affiliate.

(2) An "affiliate" is a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with another person.

(3) "Control" including the terms "controlling", "controlled by", and "under the common control with" is the possession, direct or indirect, or the power to direct or cause the direction of the management, operations or policies of a person, whether through the ownership of voting securities, by contract, through consultation or otherwise.

Subd. 2. [STUDY.] The Interagency Board for Quality Assurance shall study the issues of ownership concentration in the nursing home industry in this state, with special attention to the effect on medical assistance rates paid for resident care. The Board shall make a report to the Legislative Commission on Long Term Health Care in January, 1985.

Sec. 22. Minnesota Statutes 1982, section 256D.06 is amended by adding a subdivision to read:

Subd. 6. General assistance funds may be paid to cover the room and board needs of persons who are eligible for general assistance and who are placed by the county in a licensed facility for the purpose of receiving physical, mental health or rehabilitative care.

Sec. 23. [REPORT.] *By February 1, 1986, 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. 24. [OPERATING COST ADJUSTMENT ALLOWANCE.]

For the rate year beginning July 1, 1984, and ending June 30, 1985, and for the purpose of salary increases for direct-care personnel, the commissioner shall add \$.26 per resident per day to the operating cost payment rate of each nursing home whose allowable historical operating cost per diem is below the 60th percentile of all historical operating costs per diems for its respective group. For the same rate year, and for the same purpose, the commissioner shall add \$.13 per resident per day to the operating cost payment rate of each nursing home whose allowable historical operating cost per diem is above the 60th percentile of all historical operating costs per diems for its respective group. The groups shall be the groups established under section 256B.431, subdivision 1, based on cost reports of allowable historical operating costs incurred in the previous reporting year. This increase shall not be used for general and administrative costs or property-related costs. Any changes in the ranking of nursing homes resulting from a field audit or appeals settlement shall not affect the calculations under this clause.

Sec. 25. [APPROPRIATION.]

Subdivision 1. There is appropriated to the commissioner of health \$698,500 to implement the provisions of sections 5 to 7 and 17. The approved complement of the department of health is increased by 22 positions.

Subd. 2. There is appropriated to the commissioner of the department of public welfare \$4,272,000 for the purposes of sections 8 to 24.

Subd. 3. There is appropriated to the legislative commission on long term health care \$25,000 for the purposes of nursing home reimbursement rule developments and the state hospital planning study.

Subd. 4. The appropriations in subdivisions 1, 2 and 3 are from the general fund for the biennium ending June 30, 1985.

Sec. 26. [EFFECTIVE DATE.]

Sections 5 to 24 are effective the day following final enactment."

Amend the title as follows:

Page 1, line 7, delete "section 144.072;" and insert "sections 144.072; 256B.25; and 256D.06, by adding a new subdivision;"

Page 1, line 9, after the first semi-colon, insert "144A.071, subdivision 2;"

Page 1, line 11, after the first semi-colon, insert "256B.48, subdivision 1;"

With the recommendation that when so amended the bill pass.

The report was adopted.

Pursuant to rule 1.16, H. F. No. 2098 was re-referred to the Committee on Rules and Legislative Administration.

SECOND READING OF SENATE BILLS

S. F. Nos. 2030, 1914, 1575, 1403, 2102, 1883, 2109, 1732, 1336, 1864, 2043, 1498, 1807, 1862, 595, 924, 992, 1442 and 1977 were read for the second time.

INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House File was introduced:

Gruenes introduced:

H. F. No. 2331, A bill for an act relating to health; providing for physical therapy evaluation and referral; prohibiting certain practices by physical therapists; amending Minnesota Statutes 1982, sections 148.65, subdivision 1; 148.75; and 148.76.

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

HOUSE ADVISORIES

The following House Advisory was introduced:

Sherman introduced:

H. A. No. 63, A proposal to study costs and benefits of property tax relief for energy efficient buildings.

The advisory was referred to the Committee on Taxes.

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

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

H. F. No. 1562, 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 nonprompt 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.

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.

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.

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.

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. 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.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

H. F. No. 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.

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.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

H. F. No. 523, A bill for an act relating to public utilities; defining scope of independent telephone companies accountable under chapter 237; amending Minnesota Statutes 1982, section 237.01, subdivision 3.

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.

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.

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.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

H. F. No. 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.

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.

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. 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.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Neuenschwander moved that the House concur in the Senate amendments to H. F. No. 1824 and that the bill be repassed as amended by the Senate. The motion prevailed.

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, 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.

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

The question was taken on the repassage of the bill and the roll was called. There were 122 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Battaglia	Bennett	Blatz	Brinkman
Anderson, G.	Beard	Bergstrom	Boo	Burger
Anderson, R.	Begich	Bishop	Brandl	Carlson, L.

Clark, J.	Haukoos	McDonald	Quist	Swanson
Clark, K.	Heap	McEachern	Reif	Thiede
Clawson	Heinitz	McKasy	Rice	Tomlinson
Cohen	Himle	Metzen	Rodriguez, C.	Tunheim
Coleman	Hoffman	Minne	Rodriguez, F.	Uphus
Dempsey	Hokr	Munger	Rose	Valan
DenOuden	Jacobs	Murphy	St. Onge	Valento
Dimler	Jennings	Nelson, D.	Sarna	Vanasek
Eken	Jensen	Nelson, K.	Schafer	Vellenga
Elioff	Johnson	Neuenschwander	Scheid	Voss
Ellingson	Kahn	Norton	Schoenfeld	Waltman
Erickson	Kelly	O'Connor	Schreiber	Welch
Evans	Knickerbocker	Ogren	Seaberg	Welker
Findlay	Knuth	Olsen	Segal	Welle
Fjoslien	Kostohryz	Omann	Shea	Wenzel
Forsythe	Krueger	Onnen	Sherman	Wigley
Graba	Kvam	Otis	Simoneau	Wynia
Greenfield	Larsen	Pauly	Skoglund	Zaffke
Gruenes	Long	Peterson	Solberg	Speaker Sieben
Gustafson	Ludeman	Piepho	Sparby	
Gutknecht	Mann	Piper	Staten	
Halberg	Marsh	Price	Sviggum	

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

Mr. Speaker:

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

H. F. No. 1058, A bill for an act relating to limited partnerships; providing for withdrawals of certain partners; providing for liabilities of partners; amending Minnesota Statutes 1982, sections 322A.27; and 322A.33.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Bishop moved that the House concur in the Senate amendments to H. F. No. 1058 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1058, A bill for an act relating to limited partnerships; providing for withdrawals of certain partners; providing for liabilities of partners; amending Minnesota Statutes 1982, sections 322A.27; and 322A.33.

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

The question was taken on the repassage of the bill and the roll was called. There were 120 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Ellingson	Kostohryz	Osthoff	Simoneau
Anderson, G.	Erickson	Krueger	Otis	Skoglund
Battaglia	Evans	Kvam	Pauly	Solberg
Beard	Findlay	Larsen	Peterson	Sparby
Begich	Fjoslien	Long	Piepho	Staten
Bennett	Forsythe	Ludeman	Piper	Sviggum
Bergstrom	Graba	Mann	Price	Swanson
Bishop	Greenfield	Marsh	Quinn	Thiede
Blatz	Gruenes	McDonald	Quist	Tomlinson
Boo	Gustafson	McEachern	Reif	Tunheim
Brandl	Gutknecht	McKasy	Rice	Uphus
Brinkman	Haukoos	Metzen	Riveness	Valan
Burger	Heap	Minne	Rodosovich	Valento
Carlson, L.	Heinitz	Munger	Rodriguez, F.	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	Kelly	Olsen	Segal	Wigley
Eken	Knickerbocker	Omman	Shea	Zaffke
Elioff	Knuth	Onnen	Sherman	Speaker Sieben

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. 996, A bill for an act relating to local government; authorizing the port authorities of the cities of St. Paul and Bloomington to acquire and operate a district heating system.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Norton moved that the House concur in the Senate amendments to H. F. No. 996 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 996, 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.

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 12 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Ellingson	Kostohryz	Pauly	Skoglund
Anderson, G.	Evans	Krueger	Peterson	Solberg
Anderson, R.	Findlay	Kvam	Piepho	Sparby
Battaglia	Fjoslien	Larsen	Piper	Staten
Beard	Forsythe	Long	Price	Sviggum
Begich	Craba	Mann	Quinn	Swanson
Bennett	Greenfield	Marsh	Quist	Tomlinson
Bergstrom	Gruenes	McEachern	Reif	Tunheim
Bishop	Gustafson	McKasy	Rice	Uphus
Blatz	Gutknecht	Metzen	Riveness	Valento
Boo	Halberg	Minne	Rodosovich	Vanasek
Brandl	Haukoos	Munger	Rodriguez, C.	Vellenga
Brinkman	Heap	Murphy	Rodriguez, F.	Voss
Burger	Heinitz	Nelson, D.	Rose	Waltman
Carlson, L.	Himle	Nelson, K.	St. Onge	Welch
Clark, J.	Hoffman	Neuenschwander	Sarna	Welle
Clark, K.	Jacobs	Norton	Scheid	Wenzel
Clawson	Jensen	O'Connor	Schoenfeld	Wigley
Cohen	Johnson	Ogren	Seaberg	Wynia
Coleman	Kahn	Olsen	Segal	Speaker Sieben
Dempsey	Kelly	Omnen	Shea	
Eken	Knickerbocker	Osthoff	Sherman	
Elioff	Knuth	Otis	Simoneau	

Those who voted in the negative were:

DenOuden	Jennings	Omann	Schreiber	Welker
Erickson	Ludeman	Schafer	Thiede	Zaffke
Hokr	McDonald			

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. 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, sections 16.0721; repealing Minnesota Statutes 1982, section 16.073; Minnesota Statutes 1983 Supplement, section 16.072; and Laws 1983, chapter 336, section 3.

PATRICK E. FLAHAVEN, Secretary of the Senate

Beard moved that the House refuse to concur in the Senate amendments to H. F. No. 1939, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

Mr. Speaker:

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

H. F. No. 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.

PATRICK E. FLAHAVERN, Secretary of the Senate

Clawson moved that the House refuse to concur in the Senate amendments to H. F. No. 1466, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

Mr. Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 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, subdivi-

sions 2 and 7; 136.506; 136.55, subdivision 2; 136A.81, subdivision 1; 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, 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 Senate has appointed as such committee Messrs. Willet, Kroening, Samuelson, Luther and Frederickson.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendment 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.

And the Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee Messrs. Wegscheid, Freeman and Sieloff.

Said Senate File is herewith transmitted to the House with the request that the House appoint a like committee.

PATRICK E. FLAHAVERN, Secretary of the Senate

Segal moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 3 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two houses on S. F. No. 1750. The motion prevailed.

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendment to:

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.

And the Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee Messrs. Petty, Freeman and Kamrath.

Said Senate File is herewith transmitted to the House with the request that the House appoint a like committee.

PATRICK E. FLAHAVEN, Secretary of the Senate

Scheid moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 3 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two houses on S. F. No. 1511. The motion prevailed.

Mr. Speaker:

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

H. F. No. 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.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Levi moved that the House concur in the Senate amendments to H. F. No. 1553 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1553, A bill for an act relating to metropolitan government; prescribing the authority of watershed management organizations; 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, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 115 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

Mr. Speaker:

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

S. F. Nos. 120 and 1978.

PATRICK E. FLHAVEN, Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 120, A bill for an act relating to local government; authorizing counties or cities to enact ordinances against trespassing under certain conditions; prescribing penalties; proposing new law coded in Minnesota Statutes, chapter 471.

The bill was read for the first time.

Gruenes moved that S. F. No. 120 and H. F. No. 63, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1978, A bill for an act relating to the metropolitan airports commission; defining its relationship to the legislature

and the metropolitan council; amending Minnesota Statutes 1982, sections 473.611, subdivision 5; 473.621, subdivision 6, and by adding subdivisions.

The bill was read for the first time.

Anderson, G., moved that S. F. No. 1978 and H. F. No. 2063, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1939:

Beard, Bishop and Johnson.

The following conference committee report was received:

CONFERENCE COMMITTEE REPORT ON 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.

April 13, 1984

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

The Honorable Jerome M. Hughes
President of the Senate

We, the undersigned conferees for H. F. No. 1516, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment and that H. F. No. 1516 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 429.011, is amended by adding a subdivision to read:

Subd. 14. "Fire protection system" means pipes, standpipes, sprinklers, control systems and other devices and equipment installed in or outside a building for the primary purpose of elimi-

nating or reducing the spread of fire in the building or providing for safe evacuation of the building, whether the devices and equipment are publicly or privately owned.

Sec. 2. Minnesota Statutes 1982, section 429.021, subdivision 1, is amended to read:

Subdivision 1. [IMPROVEMENTS AUTHORIZED.] The council of a municipality shall have power to make the following improvements:

(1) To acquire, open, and widen any street, and to improve the same by constructing, reconstructing, and maintaining sidewalks, pavement, gutters, curbs, and vehicle parking strips of any material, or by grading, graveling, oiling, or otherwise improving the same, including the beautification thereof and including storm sewers or other street drainage and connections from sewer, water or similar mains to curb lines.

(2) To acquire, develop, construct, reconstruct, extend and maintain storm and sanitary sewers and systems, including outlets, holding areas and ponds, treatment plants, pumps, lift stations, service connections, and other appurtenances of a sewer system, within and without the corporate limits.

(3) To construct, reconstruct, extend and maintain steam heating mains.

(4) To install, replace, extend and maintain street lights and street lighting systems and special lighting systems.

(5) To acquire, improve, construct, reconstruct, extend and maintain water works systems, including mains, valves, hydrants, service connections, wells, pumps, reservoirs, tanks, treatment plants, and other appurtenances of a water works system, within and without the corporate limits.

(6) To acquire, improve and equip parks, open space areas, playgrounds and recreational facilities within or without the corporate limits.

(7) To plant trees on streets and provide for their trimming, care and removal.

(8) To abate nuisances and to drain swamps, marshes and ponds on public or private property and to fill the same.

(9) To construct, reconstruct, extend, and maintain dikes and other flood control works.

(10) To construct, reconstruct, extend and maintain retaining walls and area walls.

(11) To acquire, construct, reconstruct, improve, alter, extend, operate, maintain and promote a pedestrian skyway system.

(12) To acquire, construct, reconstruct, extend, operate, maintain and promote underground pedestrian concourses.

(13) To acquire, construct, improve, alter, extend, operate, maintain and promote public malls, plazas or courtyards.

(14) To construct, reconstruct, extend, and maintain district heating systems.

(15) *To construct, reconstruct, alter, extend, operate, maintain and promote fire protection systems in existing buildings, but only upon a petition pursuant to section 429.031, subdivision 3.*

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. In the case of a petition for the installation of a fire protection system, the petitioner may request abandonment of the improvement at any time after it has been ordered pursuant to subdivision 1 and before contracts have been awarded for the construction of the improvement under section 429.041, subdivision 2. If such a request is received, the city council shall abandon the proceedings but in such case the petitioner shall reimburse the city for any and all expenses incurred by the city in connection with the improvement.*

Sec. 4. Minnesota Statutes 1982, section 429.091, subdivision 2, is amended to read:

Subd. 2. [TYPES OF OBLIGATIONS PERMITTED.] The council may by resolution adopted prior to the sale of obligations pledge the full faith, credit, and taxing power of the municipality for the payment of the principal and interest. Such obligations shall be called improvement bonds and the council shall pay the principal and interest out of any fund of the municipality when the amount credited to the specified fund is insufficient for the purpose and shall each year levy a sufficient amount to take care of accumulated or anticipated deficiencies, which levy shall not be subject to any statutory or charter tax limitation. Obligations for the payment of which the full faith and credit of the municipality is not pledged shall be called improvement warrants *or, in the case of bonds for fire protection systems, revenue bonds* and shall contain a promise to pay solely out of the proper special fund *or funds pledged to their payment*. It shall be the duty of the municipal treasurer to pay maturing principal and interest on warrants *or revenue bonds* out of funds on hand in the proper (SPECIAL FUND) *funds* and not otherwise.

Sec. 5. Minnesota Statutes 1982, section 429.091, subdivision 3, is amended to read:

Subd. 3. [METHOD OF ISSUANCE.] All obligations shall be issued in accordance with the provisions of chapter 475, except (THAT) *as provided in this subdivision*.

An election shall be required for bonds if less than 20 percent of the cost of the improvement to the municipality is to be assessed against benefited property.

If the full faith, credit, and taxing power of the municipality is not pledged and the bonds are issued to finance a fire protection system, a public sale shall not be required and the obligations may

- (a) *mature at any time or times within 30 years from date of issue,*
- (b) *mature in the amount or amounts,*
- (c) *be sold at a price equal to the percentage of their par value, plus accrued interest, and*
- (d) *bear interest at the rate or rates, as agreed by the purchaser and the municipality, notwithstanding any limitation of interest rate or cost or of the amounts of annual maturities contained in any other law.*

The maturities shall be such as in the opinion of the council are warranted by the anticipated collections of assessments and ad valorem levies for the municipality's share of the cost; except that the council may in its discretion issue and sell temporary improvement bonds maturing and subject to further conditions as set forth in subdivision 5. All obligations shall state upon their face the purpose of the issue and the fund from which they are payable. The amount of any obligations issued hereunder shall not be included in determining the net indebtedness of any municipality under the provisions of any law limiting such indebtedness.

Sec. 6. Minnesota Statutes 1982, section 429.101, subdivision 1, is amended to read:

Subdivision 1. [ORDINANCES.] In addition to any other method authorized by law or charter, the governing body of any municipality may provide for the collection of unpaid special charges for all or any part of the cost of

- (a) snow, ice, or rubbish removal from sidewalks,
- (b) weed elimination from streets or private property,
- (c) removal or elimination of public health or safety hazards from private property, excluding any structure included under the provisions of sections 463.15 to 463.26,
- (d) installation or repair of water service lines, street sprinkling or other dust treatment of streets,
- (e) the trimming and care of trees and the removal of unsound trees from any street,
- (f) the treatment and removal of insect infested or diseased trees on private property, the repair of sidewalks and alleys, (OR)
- (g) the operation of a street lighting system, or
- (h) the operation and maintenance of a fire protection system

as a special assessment against the property benefited. The council may by ordinance adopt regulations consistent with this section to make this authority effective, including, at the option of the council, provisions for placing primary responsibility upon the property owner or occupant to do the work himself (except in the case of street sprinkling or other dust treatment, alley repair, tree trimming, care, and removal or the operation of a street lighting system) upon notice before the work is under-

taken, and for collection from the property owner or other person served of the charges when due before unpaid charges are made a special assessment.

Sec. 7. [EFFECTIVE DATE.]

This act is effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to local government; 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."

We request adoption of this report and repassage of the bill.

House Conferees: TODD OTIS, LINDA SCHEID and JIM EVANS.

Senate Conferees: LAWRENCE J. POGEMILLER, GEN OLSON and DON B. SAMUELSON.

Otis moved that the report of the Conference Committee on H. F. No. 1516 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

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, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 109 yeas and 6 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Brinkman	Dimler	Gustafson	Knickerbocker
Anderson, G.	Burger	Eken	Gutknecht	Kostohryz
Anderson, R.	Carlson, D.	Elioff	Halberg	Krueger
Battaglia	Carlson, L.	Ellingson	Haukoos	Kvam
Beard	Clark, J.	Erickson	Himle	Larsen
Begich	Clark, K.	Evans	Hoffman	Long
Bennett	Clawson	Findlay	Jacobs	Mann
Bergstrom	Cohen	Fjoslien	Jensen	Marsh
Bishop	Coleman	Forsythe	Johnson	McDonald
Blatz	Dempsey	Greenfield	Kahn	McEachern
Brandl	DenOuden	Gruenes	Kelly	McKasy

Metzen	Omann	Reif	Seaberg	Vanasek
Minne	Onnen	Rice	Sherman	Vellenga
Munger	Osthoff	Rodosovich	Simoneau	Voss
Murphy	Otis	Rodriguez, C.	Skoglund	Waltman
Nelson, D.	Pauly	Rodriguez, F.	Solberg	Welch
Nelson, K.	Peterson	Rose	Sparby	Welle
Neuenschwander	Piepho	St. Onge	Sviggum	Wenzel
Norton	Piper	Sarna	Swanson	Wigley
O'Connor	Price	Schafer	Uphus	Wynia
Ogren	Quinn	Scheid	Valan	Speaker Sieben
Olsen	Quist	Schoenfeld	Valento	

Those who voted in the negative were:

Jennings	Schreiber	Thiede	Welker	Zaffke
Ludeman				

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

Carlson, D., was excused while in conference.

ANNOUNCEMENTS BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 1511:

Scheid, Kelly and Osthoff.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 1750:

Segal, Metzen and Sarna.

REPORT FROM THE COMMITTEE ON RULES AND LEGISLATIVE ADMINISTRATION

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

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.

Reported the same back with the following amendments:

Page 1, line 21, delete "minority" and insert "protected"

With the recommendation that when so amended the resolution be adopted.

The report was adopted.

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.

Whereas, the Minnesota Legislature has the responsibility to guarantee every individual equal employment opportunity in the legislative branch without reference to race, color, religion, sex, handicap, or national origin; and

Whereas, it is the intention of the Minnesota Legislature to remove any vestiges of discrimination that may impede full compliance with equal employment opportunity in the legislative branch of state government; *Now, Therefore*,

Be it resolved by the House of Representatives of the State of Minnesota, the Senate concurring, that:

(a) The Legislative Coordinating Commission shall employ or contract for the services of a legislative affirmative action officer. At the direction of the Legislative Coordinating Commission, the officer shall prepare an affirmative action program for the legislative branch that will assist in recruiting qualified members of protected groups for legislative branch staff positions, provide educational programs for legislators and legislative branch staff on the need for and proper response to affirmative action, and further equal employment opportunity in the legislative branch.

(b) The Legislative Coordinating Commission shall recommend the plan to the Senate and House of Representatives. The plan shall consist of:

(1) procedures, standards, and assumptions used by the Legislative Coordinating Commission in preparing the plan;

(2) objectives, goals, and policies;

(3) timetables for accomplishing the goals;

(4) a requirement for the periodic submission of affirmative action progress reports to the Legislative Coordinating Commission; and

(5) other relevant information.

(c) The Legislative Coordinating Commission shall periodically revise the plan, as necessary.

(d) All legislators and legislative branch staff shall facilitate the work of the affirmative action officer. Information shall be

provided to the officer on each vacant position or new position established, and the affirmative officer may provide each hiring officer with a list of qualified applicants for these positions. Hiring officers shall advertise vacant or new positions and solicit applications in manners calculated to reach members of the minority community.

Staten moved that House Concurrent Resolution No. 11 be now adopted.

The question was taken on the adoption of House Concurrent Resolution No. 11 and the roll was called. There were 104 yeas and 16 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Eken	Kelly	Olsen	Shea
Anderson, G.	Elioff	Knuth	Omann	Sherman
Battaglia	Ellingson	Kostohryz	Osthoff	Simoneau
Beard	Evans	Krueger	Otis	Skoglund
Begich	Forsythe	Larsen	Pauly	Solberg
Bennett	Graba	Levi	Peterson	Sparby
Bergstrom	Greenfield	Long	Piper	Staten
Bishop	Gruenes	Mann	Price	Sviggum
Blatz	Gustafson	Marsh	Quinn	Swanson
Boo	Gutknecht	McEachern	Rice	Tomlinson
Brandl	Halberg	McKasy	Rodosovich	Uphus
Brinkman	Haukoos	Metzen	Rodriguez, C.	Valan
Burger	Heap	Minne	Rodriguez, F.	Vanasek
Carlson, L.	Himle	Munger	Rose	Vellenga
Clark, J.	Hoffman	Murphy	St. Onge	Waltman
Clark, K.	Jacobs	Nelson, D.	Sarna	Welch
Clawson	Jennings	Nelson, K.	Scheid	Welle
Cohen	Jensen	Neuenschwander	Schoenfeld	Wenzel
Coleman	Johnson	Norton	Schreiber	Wynia
Dempsey	Kahn	O'Connor	Seaberg	Speaker Sieben
Dimler	Kalis	Ogren	Segal	

Those who voted in the negative were:

DenOuden	Knickerbocker	McDonald	Schafer	Welker
Erickson	Kvam	Piepho	Thiede	Wigley
Findlay	Ludeman	Quist	Valento	Zaffke
Fjoslien				

The motion prevailed and House Concurrent Resolution No. 11 was adopted.

SPECIAL ORDERS

H. F. No. 1981 was reported to the House.

There being no objection H. F. No. 1981 was temporarily laid over on Special Orders.

Blatz was excused while in conference.

H. F. No. 1775 was reported to the House.

Otis moved to amend H. F. No. 1775, the second engrossment, as follows:

Page 6, after line 13, insert:

"Subd. 17. [RESOURCE RECOVERY.] "Resource recovery" means the cost effective collection, extraction or reuse of resources from materials, components or processes which would normally represent wasted resources or energy, such collection, extraction or reuse to result in a lesser energy intensity than would be required to produce the same product from any non-waste materials."

Renumber remaining subdivision accordingly

Page 6, line 23, after "resources" insert "*, (4) manufacture of products by means of resource recovery for sale in the ordinary course of business"*

Page 24, line 18, after the period insert "*In the event the authority shall determine that the energy loan insurance fund is or will be depleted in connection with the use of the fund as authorized by the act which has been approved or given preliminary approval by the authority, then the authority may by resolution transfer money from the energy development fund created pursuant to section 116J.925."*

Page 26, line 20, after the period insert "*In the event the authority shall determine that the energy development fund is or will be depleted in connection with the use of the fund as authorized by the act which has been approved or given preliminary approval by the authority, then the authority may by resolution transfer money from the energy loan insurance fund created pursuant to section 116J.924."*

The motion prevailed and the amendment was adopted.

Otis moved to amend H. F. No. 1775, the second engrossment, as amended, as follows:

Page 20, lines 10 to 20, reinstate the stricken language

Page 20, line 20, strike "\$30,000,000" and insert "\$60,000,000"

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 116 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The motion prevailed and the amendment was adopted.

Norton moved to amend H. F. No. 1775, the second engrossment, as amended, as follows:

Page 19, line 29, after the period insert "*The authority to adopt temporary rules expires June 30, 1985.*"

The motion prevailed and the amendment was adopted.

Knuth was excused while in conference.

Welker moved to amend H. F. No. 1775, the second engrossment, as amended, as follows:

Page 19, lines 25 and 26, delete the new language

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

Welker moved to amend H. F. No. 1775, the second engrossment, as amended, as follows:

Page 23, lines 17 to 21, delete the new language

Page 23, lines 29 to 33, delete the new language

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 44 yeas and 70 nays as follows:

Those who voted in the affirmative were:

Boo	Forsythe	Hokr	Piepho	Svigum
Burger	Frerichs	Jennings	Quist	Thiede
Dempsey	Gruenes	Johnson	Redalen	Valan
DenOuden	Gutknecht	Kvam	Rose	Valento
Dimler	Halberg	Ludeman	Schafer	Waltman
Erickson	Haukoos	Marsh	Schreiber	Welker
Evans	Heap	McDonald	Seaberg	Wigley
Findlay	Heinitz	Onnen	Shea	Zaffke
Fjoslien	Himle	Pauly	Sherman	

Those who voted in the negative were:

Anderson, G.	Ellingson	Mann	Otis	Skoglund
Battaglia	Graba	McEachern	Peterson	Solberg
Beard	Greenfield	Metzen	Price	Sparby
Begich	Gustafson	Minne	Quinn	Staten
Bergstrom	Hoffman	Munger	Riveness	Swanson
Brandl	Jacobs	Murphy	Rodosovich	Tomlinson
Carlson, L.	Jensen	Nelson, D.	Rodriguez, C.	Tunheim
Clark, J.	Kahn	Nelson, K.	Rodriguez, F.	Vanasek
Clark, K.	Kelly	Neuenschwander	St. Onge	Vellenga
Clawson	Knickerbocker	Norton	Sarna	Voss
Cohen	Kostohryz	O'Connor	Scheid	Welch
Coleman	Krueger	Ogren	Schoenfeld	Wenzel
Eken	Larsen	Omann	Segal	Wynia
Elioff	Long	Osthoff	Simoneau	Speaker Sieben

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

Ludeman moved to amend H. F. No. 1775, the second engrossment, as amended, as follows:

Page 3, line 23, delete "(or any of the other purposes listed below)!"

Page 3, line 28, delete remaining new language in subdivision

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

Ludeman moved to amend H. F. No. 1775, the second engrossment, as amended, as follows:

Page 8, delete lines 21 to 33

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 50 yeas and 73 nays as follows:

Those who voted in the affirmative were:

Bennett	Fjoslien	Jennings	Pauly	Svigum
Bishop	Forsythe	Johnson	Piepho	Thiede
Burger	Frerichs	Kvam	Quist	Uphus
Carlson, D.	Gutknecht	Levi	Redalen	Valan
Dempsey	Halberg	Ludeman	Reif	Valento
DenOuden	Haukoos	Marsh	Rose	Waltman
Dimler	Heap	McDonald	Schafer	Welker
Erickson	Heinitz	McKasy	Schreiber	Wenzel
Evans	Himle	Olsen	Seaberg	Wigley
Findlay	Hokr	Onnen	Sherman	Zaffke

Those who voted in the negative were:

Anderson, B.	Elioff	Mann	Peterson	Solberg
Anderson, G.	Ellingson	McEachern	Piper	Sparby
Battaglia	Greenfield	Mctzen	Price	Staten
Beard	Gruenes	Minne	Quinn	Swanson
Begich	Gustafson	Munger	Rice	Tomlinson
Bergstrom	Hoffman	Murphy	Rodosovich	Tunheim
Brandl	Jacobs	Nelson, D.	Rodriguez, C.	Vanasek
Brinkman	Jensen	Nelson, K.	Rodriguez, F.	Vellenga
Carlson, L.	Kahn	Neuenschwander	St. Onge	Voss
Clark, J.	Kelly	Norton	Sarna	Weich
Clark, K.	Knickerbocker	O'Connor	Scheid	Welle
Clawson	Kostohryz	Ogren	Schoenfeld	Wynia
Cohen	Krueger	Omann	Segal	Speaker Sieben
Coleman	Larsen	Osthoff	Simoneau	
Eken	Long	Otis	Skoglund	

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

Ludeman moved to amend H. F. No. 1775, the second engrossment, as amended, as follows:

Page 15, line 33, to page 19, line 15, delete section 15

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 43 yeas and 76 nays as follows:

Those who voted in the affirmative were:

Bennett	Findlay	Johnson	Pauly	Thiede
Boo	Fjoslien	Knickerbocker	Piepho	Uphus
Burger	Frerichs	Kvam	Quist	Valento
Carlson, D.	Graba	Ludeman	Redalen	Waltman
Dempsey	Gutknecht	Marsh	Reif	Welker
DenOuden	Haukoos	McDonald	Schafer	Wigley
Dimler	Heap	McKasy	Seaberg	Zaffke
Erickson	Hokr	Olsen	Sherman	
Evans	Jennings	Onnen	Svigum	

Those who voted in the negative were:

Anderson, B.	Battaglia	Brandl	Clark, J.	Cohen
Anderson, G.	Beard	Brinkman	Clark, K.	Coleman
Anderson, R.	Begich	Carlson, L.	Clawson	Eken

Elioff	Kostohryz	O'Connor	Rodriguez, F.	Tunheim
Ellingson	Krueger	Ogren	St. Onge	Vanasek
Greenfield	Larsen	Omann	Sarna	Vellenga
Gustafson	Long	Osthoff	Scheid	Voss
Halberg	Mann	Otis	Schoenfeld	Welch
Heinitz	McEachern	Peterson	Segal	Welle
Himle	Metzen	Piper	Simoneau	Wenzel
Hoffman	Minne	Price	Skoglund	Wynia
Jacobs	Munger	Quinn	Solberg	Speaker Sieben
Jensen	Nelson, D.	Rice	Sparby	
Kahn	Nelson, K.	Riveness	Staten	
Kalis	Neuenschwander	Rodosovich	Swanson	
Kelly	Norton	Rodriguez, C.	Tomlinson	

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

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.

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 82 yeas and 46 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Eken	Larsen	Otis	Solberg
Anderson, G.	Elioff	Long	Peterson	Sparby
Anderson, R.	Ellingson	Mann	Piper	Staten
Battaglia	Evans	McEachern	Quinn	Swanson
Beard	Fjoslien	Metzen	Redalen	Tomlinson
Begich	Graba	Minne	Riveness	Tunheim
Bergstrom	Greenfield	Munger	Rodosovich	Vanasek
Bishop	Gustafson	Murphy	Rodriguez, C.	Vellenga
Boo	Hoffman	Nelson, D.	Rodriguez, F.	Voss
Brandl	Jacobs	Nelson, K.	St. Onge	Welch
Brinkman	Jensen	Neuenschwander	Sarna	Welle
Carlson, L.	Kahn	Norton	Scheid	Wenzel
Clark, J.	Kalis	O'Connor	Schoenfeld	Wynia
Clark, K.	Kelly	Ogren	Segal	Speaker Sieben
Clawson	Knuth	Olsen	Shea	
Cohen	Kostohryz	Omann	Simoneau	
Coleman	Krueger	Osthoff	Skoglund	

Those who voted in the negative were:

Bennett	Gruenes	Johnson	Pauly	Sherman
Burger	Gutknecht	Knickerbocker	Piepho	Sviggum
Carlson, D.	Halberg	Kvam	Price	Thiede
Dempsey	Haukoos	Levi	Quist	Uphus
DenOuden	Heap	Ludeman	Reif	Valento
Dimler	Heinitz	Marsh	Rose	Waltman
Erickson	Himle	McDonald	Schafer	Welker
Findlay	Hokr	McKasy	Schreiber	Wigley
Forsythe	Jennings	Onnen	Seaberg	Zaffke
Frerichs				

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

H. F. No. 1981 which was temporarily laid over earlier today was again reported to the House.

Riveness moved that H. F. No. 1981 be returned to its author. The motion prevailed.

Eken moved that the House recess subject to the call of the Chair. The motion prevailed.

RECESS

RECONVENED

The House reconvened and was called to order by the Speaker.

Anderson, R., was excused while in conference.

DenOuden was excused between the hours of 2:00 p.m. and 2:30 p.m.

REPORT FROM THE COMMITTEE ON RULES AND LEGISLATIVE ADMINISTRATION

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

H. F. No. 158, A bill for an act proposing an amendment to the Minnesota Constitution, article XIII, section 5; allowing the legislature to authorize certain lotteries.

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

The report was adopted.

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

H. F. No. 467, A bill for an act relating to retirement; making various changes in benefits, contributions, and financing in laws governing various public pension funds; guaranteeing public pensions; directing reimbursement or credit of certain public pension contributions; appropriating funds; amending Minnesota Statutes 1982, sections 3.85, by adding subdivisions; 3A.02, subdivisions 1b and 3; 3A.03, subdivision 1; 352.04, subdivisions 2 and 3; 352.113, subdivision 3; 352.115, subdivision 1; 352.116, subdivision 1; 352.12, subdivision 2; 352.92; 352.93, subdivisions 2 and 3; 352.95, subdivision 1a; 352C.031, subdivision 2; 352C.09, subdivision 1; 353.27, subdivisions 2 and 3a; 353.30, subdivision 1c; 353.31, subdivision 1; 353.32, subdivision 1a; 353.33, subdivision 2; 353.651, subdivision 3; 354.42, subdivision 5; 354.44, subdivision 6; 354.46, subdivisions 1 and 2; 354.48, subdivisions 2 and 3a; 354.62, subdivision 5; 354A.23, by adding a subdivision; 354A.31, subdivision 6; 356.20, subdivision 4; 356.215, subdivision 4; 490.124, subdivision 3; Minnesota Statutes 1983 Supplement, sections 352.113, subdivision 2; 352.115, subdivision 8; 352B.02, subdivision 1; and Laws 1983, chapter 301, section 225, subdivision 1, and by adding a subdivision; chapter 314, article 12, section 1, subdivision 2; proposing new law coded in Minnesota Statutes, chapters 3A, and 356; and repealing Minnesota Statutes 1982, sections 352.022; 353.38; and 354.07, subdivision 8; and Laws 1983, chapter 301, section 225, subdivision 2.

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

The report was adopted.

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

H. F. No. 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 reim-

bursament 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.

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

The report was adopted.

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

H. F. No. 2060, 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.

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

The report was adopted.

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

H. F. No. 2098, A bill for an act relating to public welfare; requiring financial statements by providers of continuing care facilities; allowing residents to form associations; revising procedures for determining operating cost payment rates for nursing homes; appropriating money; amending Minnesota Statutes 1982, section 144.072; Minnesota Statutes 1983 Supplement, sections 45.16, subdivision 2; 144A.31, subdivision 4; 256B.421, subdivisions 2, 5, and 8; 256B.431, subdivisions 1, 2, 4, 5, and by adding a subdivision; 256B.50; proposing new law coded in Minnesota Statutes, chapters 80D; 144; and 256B.

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

The report was adopted.

There being no objection the order of business reverted to Second Reading of House Bills.

SECOND READING OF HOUSE BILLS

H. F. Nos. 158, 467, 1561, 2060 and 2098 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 Senate File, herewith transmitted:

S. F. No. 1408.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

S. F. No. 1451.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

S. F. No. 1492.

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. 1561 and 1842.

PATRICK E. FLAHAVEN, Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 1408, 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.

The bill was read for the first time.

Coleman moved that S. F. No. 1408 and H. F. No. 1757, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1451, 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.

The bill was read for the first time.

Anderson, B., moved that S. F. No. 1451 and H. F. No. 1601, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1492, 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 69.62; 257.66, by adding a subdivision; 353.15; 354.10; 422A.24; 423.39; 423.61; 423.813; 424.27; 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; 424A.02, subdivision 6; 518.17, subdivision 5; 518.551, subdivisions 5 and 9; 518.611, subdivision 3; 518C.17, subdivision 1; and 548.09, subdivisions 1 and 3; proposing new law coded in Minnesota Statutes, chapters 423A and 548; repealing Laws 1931, chapter 48, section 5; Laws 1935, chapter 192, section 4; Laws 1943, chapter 397, section 26; Laws 1945, chapter 74, section 5; Laws 1947, chapter 43, section 26; Laws 1949, chapters 87, section 29; 144, section 26; 378, section 26; and 406, section 7, subdivision 3, as amended; Laws 1953, chapters 91, section 12; 348, section 22; and 399, section 26; Laws 1955, chapters 75, section 27, as amended; 151, section 17; and 375, section 28; Laws 1959, chapter 131, section 22; Laws 1961, chapters 343, section 22, as amended; and 631, section 4; Laws 1963, chapters 443, section 22; and 643, section 23; Laws 1965, chapter 605, section 28; Laws 1971, chapter 51, section 14, subdivision 16; Laws 1973, chapter 432, section 7, subdivision 2; Laws 1974, chapter 382, section 7, subdivision 2; Laws 1977, chapter 374, section 15; and Laws 1982, chapter 610, section 18.

The bill was read for the first time.

Brandl moved that S. F. No. 1492 and H. F. No. 1554, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1561, 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.

The bill was read for the first time.

Bishop moved that S. F. No. 1561 and H. F. No. 1285, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1842, A bill for an act relating to 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.

Vanasek moved that S. F. No. 1842 and H. F. No. 1828, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

SPECIAL ORDERS, Continued

H. F. No. 1422 was reported to the House.

There being no objection H. F. No. 1422 was temporarily laid over on Special Orders.

H. F. No. 1679 was reported to the House.

There being no objection H. F. No. 1679 was continued on Special Orders for one day.

H. F. No. 1709 was reported to the House.

There being no objection H. F. No. 1709 was continued on Special Orders for one day.

H. F. No. 1749 was reported to the House.

There being no objection H. F. No. 1749 was temporarily laid over on Special Orders.

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 third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 99 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Anderson, B.	Gutknecht	Long	Peterson	Sparby
Anderson, G.	Halberg	Ludeman	Piepho	Staten
Bennett	Haukoos	Mann	Piper	Sviggum
Boo	Heap	Marsh	Price	Swanson
Brandl	Heinitz	McDonald	Quinn	Thiede
Brinkman	Himle	McEachern	Quist	Tomlinson
Burger	Hoffman	Metzen	Rice	Tunheim
Carlson, L.	Hokr	Minne	Rodriguez, C.	Valan
Clark, J.	Jacobs	Munger	Rodriguez, F.	Valento
Clawson	Jennings	Nelson, D.	St. Onge	Vellenga
Cohen	Jensen	Nelson, K.	Sarna	Voss
Dempsey	Johnson	Neuenschwander	Schafer	Waltman
Dimler	Kahn	Norton	Schoenfeld	Welch
Ellingson	Kalis	O'Connor	Schreiber	Welle
Evans	Kelly	Ogren	Seaberg	Wenzel
Findlay	Knickerbocker	Omann	Segal	Wigley
Fjoslien	Knuth	Onnen	Shaver	Wynia
Greenfield	Kostohryz	Osthoff	Sherman	Zaffke
Gruenes	Larsen	Otis	Simoneau	Speaker Sieben
Gustafson	Levi	Pauly	Skoglund	

Those who voted in the negative were:

Weiker

The bill was passed and its title agreed to.

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 third 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 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Cohen	Gutknecht	Kelly	Minne
Anderson, G.	Dempsey	Halberg	Knickerbocker	Munger
Battaglia	DenOuden	Haukoos	Knuth	Murphy
Begich	Dimler	Heap	Kostohryz	Nelson, D.
Bennett	Elioff	Heinitz	Larsen	Nelson, K.
Boo	Ellingson	Himle	Levi	Neuenschwander
Brandl	Erickson	Hoffman	Long	Norton
Brinkman	Evans	Jacobs	Ludeman	O'Connor
Burger	Findlay	Jennings	Mann	Ogren
Carlson, L.	Fjoslien	Jensen	Marsh	Omann
Clark, J.	Greenfield	Johnson	McDonald	Onnen
Clark, K.	Gruenes	Kahn	McKasy	Osthoff
Clawson	Gustafson	Kalis	Metzen	Otis

Pauly	Rodriguez, C.	Shaver	Thiede	Welker
Peterson	Rodriguez, F.	Shea	Tomlinson	Welle
Piepho	St. Onge	Sherman	Tunheim	Wenzel
Piper	Sarna	Simoneau	Uphus	Wigley
Price	Schafer	Skoglund	Valan	Wynia
Quinn	Schoenfeld	Solberg	Valento	Zaffke
Quist	Schreiber	Staten	Voss	Speaker Sieben
Rice	Seaberg	Svigum	Waltman	
Riveness	Segal	Swanson	Welch	

The bill was passed and its title agreed to.

H. F. No. 1749 which was temporarily laid over earlier today was again reported to the House.

Jennings moved to amend H. F. No. 1749, the second engrossment, as follows:

Page 1, line 19, after "Superior" insert "or south of the Minnesota River"

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

H. F. No. 1749, A bill for an act relating to game and fish; exempting hunters on licensed shooting preserves in the northern portion 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 third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 41 yeas and 67 nays as follows:

Those who voted in the affirmative were:

Battaglia	Elioff	Neuenschwander	Segal	Tomlinson
Begich	Ellingson	Ogren	Shaver	Tunheim
Bergstrom	Graba	Olsen	Sherman	Valan
Boo	Gustafson	Otis	Simoneau	Vanasek
Carlson, L.	Hoffman	Price	Solberg	Wenzel
Clark, K.	Knickerbocker	Rodriguez, F.	Staten	Wynia
Cohen	Murphy	Rose	Swanson	Zaffke
Coleman	Nelson, D.	St. Onge	Thiede	Speaker Sieben
Eken				

Those who voted in the negative were:

Anderson, B.	Dempsey	Greenfield	Himle	Knuth
Anderson, G.	DenOuden	Gruenes	Hokr	Kostohryz
Beard	Dimler	Gutknecht	Jacobs	Krueger
Bennett	Erickson	Halberg	Jennings	Kvam
Brandl	Findlay	Haukoos	Jensen	Larsen
Brinkman	Fjoslien	Heap	Johnson	Levi
Clawson	Forsythe	Heinitz	Kalis	Ludeman

Mann	Omannon	Reif	Schoenfeld	Valento
Marsh	Onnen	Riveness	Seaberg	Voss
McDonald	Pauly	Rodosovich	Shea	Waltman
McEachern	Peterson	Rodriguez, C.	Skoglund	Welker
McKasy	Piepho	Sarna	Sviggum	Welle
Munger	Piper	Schafer	Uphus	Wigley
O'Connor	Quist			

The bill was not passed.

H. F. No. 1422 which was temporarily laid over earlier today was again reported to the House.

CALL OF THE HOUSE

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

Anderson, B.	Findlay	Kostohryz	Pauly	Simoneau
Anderson, C.	Fjoslien	Krueger	Peterson	Skoglund
Beard	Forsythe	Kvam	Piepho	Solberg
Begich	Graba	Larsen	Piper	Sparby
Bennett	Greenfield	Levi	Price	Staten
Bergstrom	Gruenes	Long	Quist	Sviggum
Bishop	Gutknecht	Ludeman	Redalen	Swanson
Blatz	Halberg	Mann	Reif	Thiede
Boo	Haukoos	Marsh	Riveness	Tunheim
Brandl	Heap	McDonald	Rodosovich	Uphus
Brinkman	Heinitz	McKasy	Rodriguez, C.	Valan
Burger	Himle	Metzen	Rose	Vanasek
Clark, J.	Hoffman	Munger	Sarna	Vallenga
Clark, K.	Hokr	Nelson, D.	Schafer	Voss
Cohen	Jacobs	Nelson, K.	Scheid	Waltman
Coleman	Jennings	Neuenschwander	Schoenfeld	Welker
DenOuden	Jensen	O'Connor	Schreiber	Welle
Dimler	Johnson	Olsen	Seaberg	Wenzel
Eken	Kahn	Omannon	Segal	Wigley
Elioff	Kelly	Onnen	Shaver	Zaffke
Ellingson	Knickerbocker	Osthoff	Shea	Speaker Sieben
Erickson	Knuth	Otis	Sherman	

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

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 third time and placed upon its final passage.

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

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

There were 75 yeas and 45 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Eken	Larsen	Otis	Shea
Anderson, G.	Elioff	Long	Pauly	Simoneau
Battaglia	Ellingson	Mann	Peterson	Skoglund
Beard	Graba	Marsh	Piper	Solberg
Begich	Greenfield	McEachern	Price	Staten
Bergstrom	Gruenes	Metzen	Quinn	Swanson
Blatz	Gustafson	Minne	Riveness	Tomlinson
Brandl	Himle	Munger	Rodosovich	Tunheim
Brinkman	Hoffman	Murphy	Rodriguez, C.	Vanasek
Carlson, L.	Jacobs	Nelson, D.	Rodriguez, F.	Vellenga
Clark, J.	Jensen	Nelson, K.	Rose	Voss
Clark, K.	Kelly	Norton	St. Onge	Welle
Cohen	Knuth	O'Connor	Sarna	Wenzel
Coleman	Kostolryz	Ogren	Scheid	Wynia
Dempsey	Krueger	Osthoff	Schoenfeld	Speaker Sieben

Those who voted in the negative were:

Bennett	Forsythe	Knickerbocker	Piepho	Sviggum
Bishop	Frerichs	Kvam	Quist	Thiede
Boo	Halberg	Levi	Redalen	Uphus
Burger	Haukoos	Ludeman	Reif	Valan
DenOuden	Heap	McDonald	Schafer	Valento
Erickson	Heinitz	McKasy	Schreiber	Waltman
Evans	Hokr	Olsen	Seaberg	Welker
Findlay	Jennings	Omann	Shaver	Wigley
Fjoslien	Johnson	Onnen	Sherman	Zaffke

The bill was passed and its title agreed to.

Eken moved that the House recess subject to the call of the Chair. The motion prevailed.

RECESS

RECONVENED

The House reconvened and was called to order by the Speaker.

REPORT FROM THE COMMITTEE ON RULES AND
LEGISLATIVE ADMINISTRATION

Eken, from the Committee on Rules and Legislative Administration, pursuant to Rule 1.9, designated the following bills as Special Orders to be added to Special Orders pending for today, April 17, 1984:

H. F. Nos. 467, 29, 158 and 1557, S. F. No. 1807, H. F. Nos. 2063, 1401, 1903, 1949 and 1991, S. F. No. 1977, H. F. Nos. 2182, 229, 994, 1203, 1386, 1452 and 1561; and S. F. Nos. 1931, 1477, 1867, 1891, 1986, 2168, 1563, 1853, 1258, 1112 and 1398.

SPECIAL ORDERS

H. F. No. 467 was reported to the House.

SUSPENSION OF RULES

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, Sarna moved that the rule therein be suspended and an urgency be declared so that H. F. No. 467 be given its third reading and be placed upon its final passage. The motion prevailed.

Sarna moved that the rules of the House be so far suspended that H. F. No. 467 be given its third reading and be placed upon its final passage. The motion prevailed.

Welker moved to amend H. F. No. 467, as amended by the Committee on Appropriations, as follows:

Page 34, line 6, delete "85" insert "90"

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 15 yeas and 111 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	DenOuden	Himle	Quist	Uphus
Boo	Frerichs	Ludeman	Schafer	Welker
Burger	Gutknecht	McDonald	Thiede	Zaffke

Those who voted in the negative were:

Anderson, B.	Begich	Bishop	Brinkman	Clark, J.
Battaglia	Bennett	Blatz	Carlson, D.	Clark, K.
Beard	Bergstrom	Brandl	Carlson, L.	Clawson

Cohen	Hokr	Minne	Redalen	Staten
Coleman	Jacobs	Munger	Rice	Sviggum
Dempsey	Jennings	Murphy	Riveness	Swanson
Dimler	Jensen	Nelson, D.	Rodosovich	Tomlinson
Eken	Johnson	Nelson, K.	Rodriguez, C.	Tunheim
Elioff	Kalis	Neuenschwander	Rodriguez, F.	Valan
Ellingson	Kelly	Norton	Rose	Valento
Erickson	Knickerbocker	O'Connor	St. Onge	Vanasek
Evans	Knuth	Ogren	Sarna	Vellenga
Findlay	Kostohryz	Olsen	Scheid	Voss
Fjoslien	Krueger	Omann	Schoenfeld	Waltman
Forsythe	Kvam	Onnen	Schreiber	Welch
Graba	Larsen	Osthoff	Seaberg	Welle
Greenfield	Levi	Otis	Segal	Wenzel
Gruenes	Long	Pauly	Shaver	Wigley
Gustafson	Mann	Peterson	Sherman	Speaker Sieben
Halberg	Marsh	Piepho	Simoneau	
Heap	McEachern	Piper	Skoglund	
Heinitz	McKasy	Price	Solberg	
Hoffman	Metzen	Quinn	Sparby	

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

H. F. No. 467, A bill for an act relating to retirement; making various changes in benefits, contributions, and financing in laws governing various public pension funds; guaranteeing public pensions; directing reimbursement or credit of certain public pension contributions; appropriating funds; amending Minnesota Statutes 1982, sections 3.85, by adding subdivisions; 3A.02, subdivision 3; 3A.02, subdivision 1b; 3A.03, subdivision 1; 352.04, subdivisions 2 and 3; 352.113, subdivision 3; 352.115, subdivision 1; 352.116, subdivision 1; 352.12, subdivision 2; 352.92; 352.93, subdivisions 2 and 3; 352.95, subdivision 1a; 352C.031, subdivision 2; 352C.09, subdivision 1; 353.27, subdivisions 2 and 3a; 353.30, subdivision 1c; 353.31, subdivision 1; 353.32, subdivision 1a; 353.33, subdivision 2; 353.651, subdivision 3; 354.42, subdivision 5; 354.44, subdivision 6; 354.46, subdivisions 1 and 2; 354.48, subdivisions 2 and 3a; 354.62, subdivision 5; 354A.23, by adding a subdivision; 354A.31, subdivision 6; 356.20, subdivision 4; 356.215, subdivision 4; 490.124, subdivision 3; Minnesota Statutes 1983 Supplement, sections 352.113, subdivision 2; 352.115, subdivision 8; 352B.02, subdivision 1; and Laws 1983, chapter 301, section 225, subdivision 1, and by adding a subdivision; chapter 314, article 12, section 1, subdivision 2; proposing new law coded in Minnesota Statutes, chapters 3A, and 356; and repealing Minnesota Statutes 1982, sections 352.022; 353.38; and 354.07, subdivision 8; and Laws 1983, chapter 301, section 225, 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.

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

There were 123 yeas and 6 nays as follows :

Those who voted in the affirmative were :

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

Those who voted in the negative were :

DenOuden	Himle	Kvam	Ludeman	Welker
Frerichs				

The bill was passed and its title agreed to.

CALL OF THE HOUSE LIFTED

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

H. F. No. 29 was reported to the House.

Schoenfeld moved to amend H. F. No. 29, the first engrossment, as follows:

Page 1, line 11, after "*legislature,*" delete the balance of the line

Page 1, line 12, delete "*been made,*"

Page 1, line 23, delete "*1993*" and insert "*1987*"

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 13 yeas and 96 nays as follows:

Those who voted in the affirmative were:

Blatz	Gruenes	Heinitz	Marsh	Schoenfeld
Burger	Custafson	Jennings	Pauly	Waltman
Cohen	Heap	Johnson		

Those who voted in the negative were:

Anderson, B.	Fjoslien	Mann	Quinn	Staten
Anderson, G.	Forsythe	McDonald	Quist	Swanson
Battaglia	Frerichs	McEachern	Redalen	Thiede
Beard	Graba	Metzen	Rice	Tomlinson
Begich	Greenfield	Minne	Rodosovich	Tunheim
Bennett	Gutknecht	Munger	Rodriguez, F.	Uphus
Bergstrom	Haukoos	Murphy	Rose	Valan
Bishop	Himle	Neuenschwander	St. Onge	Valento
Brandl	Hoffman	Norton	Sarna	Vellenga
Brinkman	Hokr	O'Connor	Schafer	Voss
Clark, J.	Jacobs	Ogren	Scheid	Welker
Coleman	Jensen	Olsen	Schreiber	Welle
Dempsey	Kalis	Omann	Seaberg	Wenzel
DenOuden	Kelly	Onnen	Segal	Wigley
Dimler	Knickerbocker	Osthoff	Shea	Wynia
Elioff	Knuth	Otis	Sherman	Speaker Sieben
Ellingson	Kostohryz	Peterson	Simoneau	
Erickson	Krueger	Piepho	Skoglund	
Evans	Kvam	Piper	Solberg	
Findlay	Larsen	Price	Sparby	

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

Cohen moved to amend H. F. No. 29, the first engrossment, as follows:

Page 1, line 12, delete "56" and insert "48"

Page 1, line 13, delete "112" and insert "96"

Page 1, line 18, delete "56" and insert "48"

Page 1, line 19, delete "112" and insert "96"

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

Halberg was excused between the hours of 5:15 p.m. and 6:15 p.m.

Onnen moved to amend H. F. No. 29, the first engrossment, as follows:

Delete everything after the enacting clause and insert:

"Section 1. [CONSTITUTIONAL AMENDMENTS PROPOSED.]

Subdivision 1. [PROPOSAL TO PEOPLE.] An amendment to the Minnesota Constitution is proposed to the people as provided by subdivisions 2 to 7.

Subd. 2. [AMENDMENTS TO ARTICLE IV.] If the amendment is adopted, article IV, sections 1, 2, 3, 4, 5, 6, 7, 9, 10, 11, 12, 13, 14, 15, 18, 19, 20, 21, 22, 23, 24, 25, and 26, will read as follows:

Section 1. The legislature consists of the senate (AND HOUSE OF REPRESENTATIVES).

Sec. 2. The number of members who compose the senate (AND HOUSE OF REPRESENTATIVES) shall be prescribed by law. The representation (IN BOTH HOUSES) shall be apportioned equally throughout the different sections of the state in proportion to the population thereof.

Sec. 3. At its first session after each enumeration of the inhabitants of this state made by the authority of the United States, the legislature shall have the power to prescribe the bounds of congressional and legislative districts. Senators shall be chosen by single districts of convenient contiguous territory. (NO REPRESENTATIVE DISTRICT SHALL BE DIVIDED IN THE FORMATION OF A SENATE DISTRICT.) The (SENATE) districts shall be numbered in a regular series.

Sec. 4. (REPRESENTATIVES SHALL BE CHOSEN FOR A TERM OF TWO YEARS, EXCEPT TO FILL A VACANCY.) Senators shall be chosen for a term of four years, except to fill a vacancy (AND EXCEPT). There shall be an (ENTIRE NEW) election of all (THE) senators at the first general election (OF REPRESENTATIVES) after each new legislative apportionment provided for in this article. *After the election following reapportionment, the legislature shall determine by lot whether members elected from odd or even numbered districts shall serve two or four year terms.* The governor shall call elections to fill vacancies in (EITHER HOUSE OF) the legislature.

Sec. 5. No senator (OR REPRESENTATIVE) shall hold any other office under the authority of the United States or the state of Minnesota, except that of postmaster or of notary public. If elected or appointed to another office, a legislator may resign from the legislature by tendering his resignation to the governor.

Sec. 6. Senators (AND REPRESENTATIVES) shall be qualified voters of the state, and shall have resided one year in the state and six months immediately preceding the election in the

district from which elected. (EACH HOUSE) *The legislature* shall be the judge of the election returns and eligibility of its own members. The legislature shall prescribe by law the manner for taking evidence in cases of contested seats (IN EITHER HOUSE).

Sec. 7. (EACH HOUSE) *The legislature* may determine the rules of its proceedings, sit upon its own adjournment, punish its members for disorderly behavior, and with the concurrence of two-thirds expel a member; but no member shall be expelled a second time for the same offense.

Sec. 9. The compensation of senators (AND REPRESENTATIVES) shall be prescribed by law. No increase of compensation shall take effect during the period for which the members of the existing (HOUSE OF REPRESENTATIVES) *legislature* may have been elected.

Sec. 10. The members of (EACH HOUSE) *the legislature* in all cases except treason, felony and breach of the peace, shall be privileged from arrest during the session of (THEIR RESPECTIVE HOUSES) *the legislature* and in going to or returning from the same. For any speech or debate in (EITHER HOUSE) *the legislature* they shall not be questioned in any other place.

Sec. 11. Two or more members of (EITHER HOUSE) *the legislature* may dissent and protest against any act or resolution which they think injurious to the public or to any individual and have the reason of their dissent entered in the journal.

Sec. 12. The legislature shall meet at the seat of government in regular session in each biennium at the times prescribed by law for not exceeding a total of 120 legislative days. The legislature shall not meet in regular session, nor in any adjournment thereof, after the first Monday following the third Saturday in May of any year. After meeting at a time prescribed by law, the legislature may adjourn to another time. "Legislative day" shall be defined by law. A special session of the legislature may be called by the governor on extraordinary occasions.

(NEITHER HOUSE DURING A SESSION OF THE LEGISLATURE SHALL ADJOURN FOR MORE THAN THREE DAYS (SUNDAYS EXCEPTED) NOR TO ANY OTHER PLACE THAN THAT IN WHICH THE TWO HOUSES SHALL BE ASSEMBLED WITHOUT THE CONSENT OF THE OTHER HOUSE.)

Sec. 13. A majority of (EACH HOUSE) *the legislature* constitutes a quorum to transact business, but a smaller number may adjourn from day to day and compel the attendance of absent members in the manner and under the penalties it may provide.

Sec. 14. (EACH HOUSE) *The legislature* shall be open to the public during its sessions except in cases which in its opinion require secrecy.

Sec. 15. (EACH HOUSE) *The legislature* shall elect its presiding officer and other officers as may be provided by law. (BOTH HOUSES) *The legislature* shall keep journals of (THEIR) *its* proceedings, and from time to time publish the same, and the yeas and nays, when taken on any question, shall be entered in the journals.

(SEC. 18. ALL BILLS FOR RAISING REVENUE SHALL ORIGINATE IN THE HOUSE OF REPRESENTATIVES, BUT THE SENATE MAY PROPOSE AND CONCUR WITH THE AMENDMENTS AS ON OTHER BILLS.)

Sec. 19. Every bill shall be reported on three different days in (EACH HOUSE) *legislature*, unless, in case of urgency, two-thirds of the (HOUSE WHERE THE BILL IS PENDING DEEM) *legislature deems* it expedient to dispense with this rule.

Sec. 20. Every bill passed (BY BOTH HOUSES) shall be enrolled and signed by the presiding officer (OF EACH HOUSE). Any presiding officer refusing to sign a bill passed (BY BOTH HOUSES) shall thereafter be disqualified from any office of honor or profit in the state. (EACH HOUSE) *The legislature* by rule shall provide the manner in which a bill shall be certified for presentation to the governor in case of such refusal.

Sec. 21. No bill shall be passed (BY EITHER HOUSE) upon the day prescribed for adjournment. This section shall not preclude the enrollment of a bill or its transmittal (FROM ONE HOUSE TO THE OTHER OR) to the executive for his signature.

Sec. 22. The style of all laws of this state shall be: "Be it enacted by the legislature of the state of Minnesota." No law shall be passed unless voted for by a majority of all the members elected to (EACH HOUSE OF) the legislature, and the vote entered in the journal (OF EACH HOUSE).

Sec. 23. Every bill passed in conformity to the rules (OF EACH HOUSE AND THE JOINT RULES OF THE TWO HOUSES) shall be presented to the governor. If he approves a bill, he shall sign it, deposit it in the office of the secretary of state and notify the (HOUSE IN WHICH IT ORIGINATED) *legislature* of that fact. If he vetoes a bill, he shall return it with his objections to the (HOUSE IN WHICH IT ORIGINATED) *legislature*. His objections shall be entered in the journal. If, after reconsideration, two-thirds of (THAT HOUSE) *the legislature* agree to pass the bill, (IT SHALL BE SENT, TOGETHER

WITH THE GOVERNOR'S OBJECTIONS, TO THE OTHER HOUSE, WHICH SHALL LIKEWISE RECONSIDER IT. IF APPROVED BY TWO-THIRDS OF THAT HOUSE) it becomes a law and shall be deposited in the office of the secretary of state. In such cases the votes (OF BOTH HOUSES) shall be determined by yeas and nays, and the names of the persons voting for or against the bill shall be entered in the journal (OF EACH HOUSE). Any bill not returned by the governor within three days (Sundays excepted) after it is presented to him becomes a law as if he had signed it, unless the legislature by adjournment within that time prevents its return. Any bill passed during the last three days of a session may be presented to the governor during the three days following the day of final adjournment and becomes law if the governor signs and deposits it in the office of the secretary of state within 14 days after the adjournment of the legislature. Any bill passed during the last three days of the session which is not signed and deposited within 14 days after adjournment does not become a law.

If a bill presented to the governor contains several items of appropriation of money, he may veto one or more of the items while approving the bill. At the time he signs the bill the governor shall append to it a statement of the items he vetoes and the vetoed items shall not take effect. If the legislature is in session, he shall transmit to (THE HOUSE IN WHICH THE BILL ORIGINATED) *it*, a copy of the statement, and the items vetoed shall be separately reconsidered. If on reconsideration any item is approved by two-thirds of the members (ELECTED TO EACH HOUSE), it is a part of the law notwithstanding the objections of the governor.

Sec. 24. Each order, resolution or vote (REQUIRING THE CONCURRENCE OF THE TWO HOUSES) except such as relate to the business or adjournment of the legislature shall be presented to the governor and is subject to his veto as prescribed in case of a bill.

Sec. 25. During a session (EACH HOUSE) *the legislature* may punish by imprisonment for not more than 24 hours any person not a member who is guilty of any disorderly or contemptuous behavior in its presence.

Sec. 26. Passage of a general banking law requires the vote of two-thirds of the members (OF EACH HOUSE OF THE LEGISLATURE).

Subd. 3. [AMENDMENTS TO ARTICLE IX.] If the amendment is approved, article IX, sections 1 and 2, will read as follows:

Section 1. A majority of the members elected to (EACH HOUSE OF) the legislature may propose amendments to this

constitution. Proposed amendments shall be published with the laws passed at the same session and submitted to the people for their approval or rejection at a general election. If a majority of all the electors voting at the election vote to ratify an amendment, it becomes a part of this constitution. If two or more amendments are submitted at the same time, voters shall vote for or against each separately.

Sec. 2. Two-thirds of the members elected to (EACH HOUSE OF) the legislature may submit to the electors at the next general election the question of calling a convention to revise this constitution. If a majority of all the electors voting at the election vote for a convention, the legislature at its next session, shall provide by law for calling the convention. The convention shall consist of as many delegates as there are members of the house of representatives. Delegates shall be chosen in the same manner as members of the house of representatives and shall meet within three months after their election. Section 5 of Article IV of the constitution does not apply to election to the convention.

Subd. 4. [AMENDMENT TO ARTICLE XI.] If the amendment is approved, article XI, section 5, will read as follows:

Sec. 5. Public debt may be contracted and works of internal improvements carried on for the following purposes:

(a) to acquire and to better public land and buildings and other public improvements of a capital nature and to provide money to be appropriated or loaned to any agency or political subdivision of the state for such purposes if the law authorizing the debt is adopted by the vote of at least three-fifths of the members of (EACH HOUSE OF) the legislature;

(b) to repel invasion or suppress insurrection;

(c) to borrow temporarily as authorized in section 6;

(d) to refund outstanding bonds of the state or any of its agencies whether or not the full faith and credit of the state has been pledged for the payment of the bonds;

(e) to establish and maintain highways subject to the limitations of article XIV;

(f) to promote forestation and prevent and abate forest fires, including the compulsory clearing and improving of wild lands whether public or private;

(g) to construct, improve and operate airports and other air navigation facilities;

(h) to develop the state's agricultural resources by extending credit on real estate security in the manner and on the terms and conditions prescribed by law;

(i) to improve and rehabilitate railroad rights-of-way and other rail facilities whether public or private, provided that bonds issued and unpaid shall not at any time exceed \$200,000,000 par value; and

(j) as otherwise authorized in this constitution.

As authorized by law political subdivisions may engage in the works permitted by (f), (g), and (i) and contract debt therefor.

Subd. 5. [EFFECTIVE DATE.] If the amendment proposed is adopted, it is effective January 1, 1993.

Sec. 2. [BALLOT PROPOSITION.]

The proposed amendment shall be submitted to the people at the 1984 general election. The question proposed shall be:

"Shall the Minnesota Constitution be amended to provide after 1993 for a legislature of one chamber called a senate elected for staggered four year terms?"

Yes

No

All election procedures shall be as otherwise provided by law."

Delete the title and insert:

"A bill for an act proposing an amendment to the Minnesota Constitution, changing article IV, sections 1, 2, 3, 4, 5, 6, 7, 9, 10, 11, 12, 13, 14, 15, 18, 19, 20, 21, 22, 23, 24, 25, and 26; article VIII, section 1; article IX, sections 1 and 2; and article XI, section 5; providing for a unicameral legislature."

A roll call was requested and properly seconded.

Schoenfeld moved to amend the Onnen amendment to H. F. No. 29, the first engrossment, as follows:

Strike the reference "senate" throughout the bill and insert "assembly"

Strike the reference "Senators" throughout the bill and insert "assembly person"

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

The question recurred on the Onnen amendment and the roll was called. There were 35 yeas and 86 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Cruenes	McKasy	Reif	Thiede
Blatz	Haukoos	Ogren	Rice	Uphus
Boo	Hoffman	Olsen	Rose	Valento
Burger	Johnson	Onnen	Schafer	Waltman
DenOuden	Knuth	Pauly	Schoenfeld	Welker
Dimler	Marsh	Piepho	Shaver	Welle
Findlay	McDonald	Quinn	Shea	Zaffke

Those who voted in the negative were:

Anderson, G.	Ellingson	Krueger	Otis	Solberg
Battaglia	Erickson	Kvam	Peterson	Sparby
Beard	Forsythe	Larsen	Piper	Staten
Begich	Freirichs	Long	Price	Swanson
Bennett	Graba	Ludeman	Quist	Tomlinson
Bergstrom	Greenfield	Main	Redalen	Tunheim
Bishop	Gustafson	McEachern	Riveness	Valan
Brandl	Gutknecht	Metzen	Rodosovich	Vanasek
Brinkman	Heap	Minne	Rodriguez, C.	Vellenga
Carlson, L.	Heinitz	Munger	Rodriguez, F.	Voss
Clark, J.	Himle	Murphy	St. Onge	Wenzel
Clark, K.	Jacobs	Nelson, D.	Sarna	Wigley
Clawson	Jennings	Nelson, K.	Scheid	Wynia
Cohen	Jensen	Neuenschwander	Schreiber	Speaker Sieben
Coleman	Kahn	Norton	Seaberg	
Dempsey	Kelly	O'Connor	Segal	
Eken	Knickerbocker	Omann	Simoneau	
Elioff	Kostohryz	Osthoff	Skoglund	

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

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 1983 Supplement, sections 2.021 and 2.031, 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 93 yeas and 38 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Beard	Blatz	Burger	Cohen
Anderson, G.	Begich	Boo	Carlson, D.	Dempsey
Anderson, R.	Bennett	Brandl	Carlson, L.	Dimler
Battaglia	Bergstrom	Brinkman	Clawson	Elioff

Ellingson	Jensen	Minne	Quinn	Swiggum
Forsythe	Johnson	Nelson, D.	Reif	Swanson
Frerichs	Kalis	Nelson, K.	Rice	Thiede
Graba	Kelly	Neuenschwander	Riveness	Valento
Gruenes	Knickerbocker	Norton	Rodriguez, C.	Vanasek
Gustafson	Knuth	Olsen	Rodriguez, F.	Vellenga
Gutknecht	Kostohryz	Omann	Rose	Waltman
Haukoos	Krueger	Onnen	Sarna	Welch
Heap	Larsen	Osthoff	Scheid	Welle
Heinitz	Levi	Otis	Schreiber	Wenzel
Himle	Marsh	Pauly	Seaberg	Wynia
Hoffman	McDonald	Peterson	Segal	Zaiffke
Hokr	McEachern	Piepho	Shaver	Speaker Sieben
Jacobs	McKasy	Piper	Simoneau	
Jennings	Metzen	Price	Solberg	

Those who voted in the negative were:

Bishop	Findlay	Munger	Schafer	Tunheim
Clark, J.	Fjoslien	Murphy	Schoenfeld	Uphus
Clark, K.	Greenfield	O'Connor	Shea	Valan
Coleman	Kahn	Ogren	Sherman	Voss
DenOuden	Kvam	Quist	Skoglund	Welker
Eken	Long	Redalen	Sparby	Wigley
Erickson	Ludeman	Rodosovich	Staten	
Evans	Mann	St. Onge	Tomlinson	

The bill was passed and its title agreed to.

H. F. No. 158 was reported to the House.

SUSPENSION OF RULES

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, Osthoff moved that the rule therein be suspended and an urgency be declared so that H. F. No. 158 be given its third reading and be placed upon its final passage.

A roll call was requested and properly seconded.

The question was taken on the Osthoff motion and the roll was called. There were 63 yeas and 46 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Elioff	Kostohryz	Peterson	Simoneau
Anderson, G.	Ellingson	Krueger	Piepho	Solberg
Anderson, R.	Evans	Mann	Piper	Staten
Battaglia	Graba	McEachern	Price	Swanson
Beard	Gruenes	Metzen	Quinn	Tomlinson
Begich	Gustafson	Minne	Reif	Valan
Bennett	Heinitz	Murphy	Riveness	Vanasek
Bergstrom	Hoffman	Nelson, D.	Rodosovich	Vellenga
Brinkman	Jacobs	O'Connor	Rodriguez, F.	Welch
Clark, K.	Jensen	Ogren	St. Onge	Wenzel
Cohen	Kalis	Omann	Sarna	Speaker Sieben
Dempsey	Kelly	Osthoff	Scheid	
Eken	Knuth	Otis	Schoenfeld	

Those who voted in the negative were:

Boo	Forsythe	Levi	Rodriguez, C.	Waltman
Brandl	Frerichs	Long	Rose	Welker
Burger	Greenfield	Ludeman	Schafer	Welle
Clawson	Gutknecht	Marsh	Seaberg	Wigley
Coleman	Haukoos	McDonald	Shaver	Wynia
DenOuden	Himle	Norton	Shea	Zaffke
Dimler	Jennings	Onnen	Sherman	
Erickson	Kahn	Quist	Sviggum	
Findlay	Knickerbocker	Redalen	Thiede	
Fjoslien	Kvam	Rice	Valento	

The motion did not prevail.

H. F. No. 1557 was reported to the House.

McEachern moved that H. F. No. 1557 be continued on Special Orders for one day. The motion prevailed.

The Speaker called Wynia to the Chair.

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 third 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	Kahn	Nelson, K.	Rodriguez, F.
Anderson, G.	Ellingson	Kalis	Neuenschwander	Rose
Anderson, R.	Erickson	Kelly	Norton	St. Onge
Battaglia	Evans	Knickerbocker	O'Connor	Sarna
Beard	Findlay	Knuth	Ogren	Schafer
Begich	Fjoslien	Kostohryz	Olsen	Scheid
Bennett	Forsythe	Krueger	Omamm	Schoenfeld
Bishop	Frerichs	Kvam	Onnen	Schreiber
Blatz	Graba	Larsen	Osthoff	Seaberg
Brandl	Greenfield	Levi	Otis	Segal
Brinkman	Gruenes	Long	Pauly	Shaver
Burger	Gustafson	Ludeman	Peterson	Shea
Carlson, L.	Gutknecht	Mann	Piepho	Sherman
Clark, J.	Haukoos	Marsh	Piper	Simoneau
Clark, K.	Heinitz	McDonald	Price	Skoglund
Clawson	Himle	McEachern	Quinn	Solberg
Cohen	Hoffman	McKasy	Quist	Sparby
Coleman	Hokr	Metzen	Reif	Staten
Dempsey	Jacobs	Minne	Rice	Sviggum
DenOuden	Jennings	Munger	Riveness	Swanson
Dimler	Jensen	Murphy	Rodosovich	Thiede
Eken	Johnson	Nelson, D.	Rodriguez, C.	Tomlinson

Tunheim
Uphus
Valan

Valento
Vanasek
Vellenga

Waltman
Welch
Welker

Welle
Wenzel
Wigley

Wynia
Speaker Sieben

The bill was passed and its title agreed to.

H. F. No. 1903 was reported to the House.

Rice moved to amend H. F. No. 1903, as follows:

Page 2, after line 31, insert:

"Sec. 2. Minnesota Statutes 1982, section 472A.06, is amended to read:

472A.06 [ISSUANCE OF BONDS.]

(a) The governing body of the municipality, may authorize, issue and sell general obligation bonds, which shall mature within 30 years from the date of issue, to finance the acquisition and betterment of real and personal property needed to carry out the development program within the development district together with all relocation costs incidental thereto in accordance with sections 475.51, 475.53, 475.54, 475.55, 475.56, 475.60, 475.61, 475.62, 475.63, 475.65, 475.66, 475.69, 475.70, 475.71. All tax increments received by the municipality pursuant to section 472A.08 shall be pledged for the payment of these bonds and used to reduce or cancel the taxes otherwise required to be extended for that purpose, and the bonds shall not be included when computing the municipality's net debt. Bonds shall not be issued under this (SECTION) *paragraph* subsequent to August 1, 1979.

(b) *A municipality may authorize, issue and sell bonds under section 273.77, clause (c), to refund the principal of and interest on bonds, originally issued to finance a development district, in order to relieve the municipality of restrictions on the application of tax increments. The refunding bonds shall not be subject to the conditions set out in section 475.67, subdivision 12. Tax increments received by the municipality with respect to the district may be used to pay the principal of and interest on the refunding bonds and to pay premiums for insurance or other security guaranteeing the payment of their principal and interest when due. If consistent with the pledges to the holders of the refunding bonds, excess tax increments may be applied*

(1) *in any manner permitted by section 273.75, subdivision 2,*

(2) *to pay the costs of other public improvements within the municipality, or*

(3) *to pay the principal of or interest on any other obligations of the municipality payable in whole or in part from tax increments."*

Renumber the sections in order

Amend the title as follows:

Page 1, line 2, after "government;" insert "permitting refunding of certain bonds;"

Page 1, line 4, delete "section 472A.03" and insert "sections 472A.03; and 472A.06"

The motion prevailed and the amendment was adopted.

H. F. No. 1903, A bill for an act relating to local government; permitting refunding of certain bonds; clarifying powers of municipalities with respect to sale of air rights; amending Minnesota Statutes 1982, sections 472A.03; and 472A.06.

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

The question was taken on the passage of the bill and the roll was called. There were 68 yeas and 53 nays as follows:

Those who voted in the affirmative were:

Battaglia	Ellingson	Mann	Peterson	Sparby
Beard	Greenfield	McEachern	Piper	Staten
Begich	Gustafson	Metzen	Price	Swanson
Bergstrom	Hoffman	Minne	Quinn	Tomlinson
Boo	Jacobs	Munger	Rice	Tunheim
Brandl	Jensen	Murphy	Riveness	Vanasek
Brinkman	Kahn	Nelson, D.	Rodosovich	Vellenga
Carlson, L.	Kalis	Nelson, K.	Rodriguez, F.	Voss
Clark, J.	Kelly	Neuenschwander	St. Onge	Welle
Clark, K.	Knuth	Norton	Sarna	Wenzel
Clawson	Kostobryz	O'Connor	Scheid	Wynia
Cohen	Krueger	Ogren	Simoneau	Speaker Sieben
Coleman	Larsen	Osthoff	Skoglund	
Elioff	Long	Otis	Solberg	

Those who voted in the negative were:

Anderson, B.	Fjoslien	Knickerbocker	Quist	Sviggum
Anderson, G.	Forsythe	Kvam	Redalen	Thiede
Bennett	Frerichs	Levi	Reif	Uphus
Bishop	Cruenes	Ludeman	Rose	Valan
Blatz	Cutknecht	Marsh	Schafer	Valento
Burger	Haukoos	McDonald	Schoenfeld	Waltman
Dempsey	Heap	McKasy	Schreiber	Welker
DenOuden	Hcinitz	Omann	Seaberg	Wigley
Dimler	Himle	Onnen	Shaver	Zaffke
Erickson	Jennings	Pauly	Shea	
Findlay	Johnson	Piepho	Sherman	

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

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 third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 103 yeas and 14 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Evans	Larsen	Otis	Shea
Anderson, G.	Fjoslien	Levi	Pauly	Sherman
Battaglia	Forsythe	Long	Peterson	Simoneau
Beard	Greenfield	Mann	Piepho	Skoglund
Begich	Gruenes	Marsh	Piper	Solberg
Bennett	Gustafson	McEachern	Price	Sparby
Bergstrom	Gutknecht	McKasy	Quinn	Staten
Bishop	Heap	Metzen	Quist	Swanson
Blatz	Heinitz	Minne	Redalen	Tomlinson
Boo	Himle	Munger	Reit	Tunheim
Brinkman	Hokr	Murphy	Riveness	Valan
Burger	Jacobs	Nelson, D.	Rodosovich	Valento
Carlson, L.	Jennings	Nelson, K.	Rodriguez, C.	Waltman
Clark, J.	Jensen	Neuenschwander	Rodriguez, F.	Welch
Clark, K.	Johnson	Norton	Rose	Welle
Clawson	Kalis	O'Connor	St. Onge	Wenzel
Cohen	Knickerbocker	Ogren	Schoenfeld	Wigley
Coleman	Knuth	Olsen	Schreiber	Wynia
Dempsey	Kostohryz	Omamn	Seaberg	Speaker Sieben
Dimler	Krueger	Onnen	Segal	
Elioff	Kvam	Osthoff	Shaver	

Those who voted in the negative were:

Brandl	Findlay	Ludeman	Sviggum	Welker
DenOuden	Frerichs	McDonald	Thiede	Zaffke
Erickson	Hankoo	Schafer	Uphus	

The bill was passed and its title agreed to.

H. F. No. 1991 was reported to the House.

EXCUSED FROM VOTING

Pursuant to rule 2.5, Rodosovich requested that he be excused from voting on H. F. No. 1991 and all amendments offered to H. F. No. 1991. The request was granted.

Knuth offered an amendment to H. F. No. 1991, the first engrossment.

A roll call was requested and properly seconded.

Thiede requested a division of the Knuth amendment.

The first portion of the Knuth amendment to H. F. No. 1991, the first engrossment, reads as follows:

Page 9, delete section 10 and insert:

“Sec. 10. Minnesota Statutes 1983 Supplement, section 309.501, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] As used in this section, the following terms have the meanings given them.

“Registered combined charitable organization” means an organization

(1) which is tax exempt under section 501(c)3 of the Internal Revenue Code of 1954, as amended through December 31, 1980 (hereinafter “Internal Revenue Code”), and to which contributions are deductible under section 170 of the Internal Revenue Code;

(2) which secures funds for distribution to ten or more charitable agencies in a single, annual consolidated effort;

(3) which is governed by a voluntary board of directors which represents the broad interests of the public;

(4) which distributes at least 70 percent of its total (COLLECTED) *campaign* income and revenue to the designated agencies it supports and expends no more than 30 percent of its total *campaign* income and revenue for management and general costs and fund raising costs;

(5) and each designated agency supported by the recipient institution devotes substantially all of its activities directly to providing health, welfare, social, or other human services to individuals;

(6) and each designated agency supported by the recipient institution provides health, welfare, social, or other human services, in the community and surrounding area in which the recipient institution’s fund drive takes place; and

(7) which has been registered with the commissioner of securities and real estate in the department of commerce in accordance with this section.

“*Campaign income*” means income from the single, annual consolidated effort received by the charitable agency for distribution.

"Charitable agency" means a governmental agency or an organization (1) which is tax exempt under section 501(c)3 of the Internal Revenue Code; (2) to which contributions are deductible under section 170 of the Internal Revenue Code; and (3) which is in compliance with the provisions of this chapter."

Amend the title as follows:

Page 1, line 14, delete "and"

Page 1, line 14, after "6" insert "and; 309.501, subdivision 1"

A roll call was requested and properly seconded.

The question was taken on the first portion of the Knuth amendment to H. F. No. 1991, the first engrossment, and the roll was called. There were 68 yeas and 42 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Coleman	Larsen	Piper	Sparby
Anderson, G.	Eken	Long	Price	Staten
Battaglia	Elioff	Mann	Quinn	Swanson
Beard	Graba	Metzen	Rice	Tomlinson
Begich	Greenfield	Minne	Riveness	Tunheim
Bergstrom	Hokr	Munger	Rodriguez, C.	Vanasek
Boo	Jacobs	Nelson, D.	Rodriguez, F.	Vellenga
Brandl	Jensen	Nelson, K.	St. Onge	Voss
Brinkman	Kahn	Neuenschwander	Scheid	Welch
Carlson, L.	Kalis	Norton	Seaberg	Wenzel
Clark, J.	Kelly	O'Connor	Segal	Wynia
Clark, K.	Knuth	Osthoff	Simoneau	Speaker Sieben
Clawson	Kostohryz	Otis	Skoglund	
Cohen	Krueger	Peterson	Solberg	

Those who voted in the negative were:

Bennett	Fjoslien	Jennings	Pauly	Uphus
Blatz	Forsythe	Johnson	Piepho	Valento
Burger	Frerichs	Kvam	Quist	Waltman
Dempsey	Gruenes	Ludeman	Reif	Welker
DenOuden	Gutknecht	Marsh	Schreiber	Wigley
Dimler	Haukoos	McDonald	Shaver	Zaffke
Erickson	Heap	Olsen	Sherman	
Evans	Heinitz	Omann	Sviggum	
Findlay	Himle	Onnen	Thiede	

The motion prevailed and the first portion of the Knuth amendment was adopted.

The second portion of the Knuth amendment to H. F. No. 1991, the first engrossment, as amended, reads as follows:

"Sec. 11. 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 *Olympic* 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 *Olympic* training camp and *Olympic* competition combined or 90 calendar days (A) in an *Olympic* year, whichever is less."

The question was taken on the second portion of the Knuth amendment to H. F. No. 1991, the first engrossment, as amended, and the roll was called. There were 119 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The motion prevailed and the second portion of the Knuth amendment was adopted.

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; 15.62, subdivision 2; 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; 116L.03, subdivision 6; and 309.501, subdivision 1.

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

The question was taken on the passage of the bill and the roll was called. There were 108 yeas and 14 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Elioff	Krueger	Osthoff	Skoglund
Anderson, G.	Ellingson	Larsen	Otis	Solberg
Battaglia	Evans	Levi	Peterson	Sparby
Beard	Findlay	Long	Piper	Staten
Begich	Fjoslien	Ludeman	Price	Swiggum
Bennett	Frerichs	Mann	Quinn	Swanson
Bergstrom	Graba	Marsh	Quist	Tomlinson
Bishop	Greenfield	McDonald	Rice	Tunheim
Blatz	Gustafson	McEachern	Riveness	Uphus
Boo	Gutknecht	McKasy	Rodriguez, C.	Valan
Brandl	Heap	Metzen	Rodriguez, F.	Valento
Brinkman	Himle	Minne	Rose	Vanasek
Burger	Hokr	Munger	St. Onge	Vellenga
Carlson, L.	Jacobs	Murphy	Sarna	Voss
Clark, J.	Jensen	Nelson, D.	Scheid	Waltman
Clark, K.	Johnson	Nelson, K.	Schoenfeld	Welch
Clawson	Kahn	Neuenschwander	Seaberg	Wenzel
Cohen	Kalis	Norton	Segal	Wynia
Coleman	Kelly	O'Connor	Shaver	Zaffke
DenOuden	Knickerbocker	Ogren	Shea	Speaker Sieben
Dimler	Knuth	Olsen	Sherman	
Eken	Kostohryz	Omann	Simonear	

Those who voted in the negative were:

Dempsey	Haukoos	Piepho	Schreiber	Welle
Erickson	Heinitz	Reif	Thiede	Wigley
Forsythe	Onnen	Schafer	Welker	

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

H. F. No. 2182 was reported to the House.

Wenzel moved to amend H. F. No. 2182, the first engrossment, as follows:

Page 4, after line 2, insert:

"Sec. 6. Minnesota Statutes 1982, section 325E.06, subdivision 1, is amended to read:

Subdivision 1. [OBLIGATION TO REPURCHASE.] Whenever any person, firm, or corporation engaged in the business of selling and retailing farm implements and repair parts for farm implements enters into a written contract, sales agree-

ment or security agreement whereby the retailer agrees with any wholesaler, manufacturer, or distributor of farm implements, machinery, attachments or repair parts to maintain a stock of parts or complete or whole machines, or attachments, and thereafter the written contract, sales agreement or security agreement is terminated, cancelled or discontinued, then the wholesaler, manufacturer, or distributor shall pay to the retailer or credit to the retailer's account, if the retailer has outstanding any sums owing the wholesaler, manufacturer, or distributor, unless the retailer should desire and has a contractual right to keep such merchandise, a sum equal to 100 percent of the net cost of all current unused complete farm implements, machinery and attachments in new condition which have been purchased by the retailer from the wholesaler, manufacturer or distributor within the 24 months immediately preceding notification by either party of intent to cancel or discontinue the contract, including transportation charges which have been paid by the retailer, or invoiced to retailer's account by the wholesaler, manufacturer or distributor and 80 percent of the current net prices on repair parts, including superseded parts listed in current price lists or catalogs in use by the wholesaler, manufacturer or distributor on the date of cancellation or discontinuance of the contract, which parts had previously been purchased by the retailer from the wholesaler, manufacturer, or distributor and are held by the retailer on the date of the cancellation or discontinuance of the contract or thereafter received by the retailer from the wholesaler, manufacturer or distributor. The wholesaler, manufacturer, or distributor shall also pay the retailer or credit to his account a sum equal to five percent of the current net price of all parts returned for the handling, packing, and loading of the parts back to the wholesaler, manufacturer, or distributor unless the wholesaler, manufacturer or distributor elects to perform inventorying, packing and loading of the parts itself. Upon the payment or allowance of credit to the retailer's account of the sum required by this subdivision, the title to the farm implements, farm machinery, attachments or repair parts shall pass to the manufacturer, wholesaler or distributor making the payment or allowing the credit and the manufacturer, wholesaler or distributor shall be entitled to the possession of the farm implements, machinery, attachments or repair parts. However, this section shall not in any way affect any security interest which the wholesaler, manufacturer or distributor may have in the inventory of the retailer.

Payment required under this subdivision must be made to the retailer by the tenth day of the month following the month in which the retailer returned the farm implements, farm machinery, attachments, and repair parts.

If payment is not made within this period, interest at the same rate the wholesaler, manufacturer, or distributor charges on its overdue accounts will be applied to this payment beginning 30 days after due date specified."

Renumber the sections accordingly

Page 6, after line 31, insert a section to read:

“Sec. 10. [EFFECTIVE DATE.]

Section 6 is effective the day following final enactment.”

Amend the title as follows:

Page 1, line 6, after the semicolon, insert “providing for payment to a farm implement retailer by the manufacturer, wholesaler, or distributor who repurchases inventory; requiring the payment of interest on overdue accounts;”

Page 1, line 8, after “31A.08;” insert “325E.06, subdivision 1;”

The motion prevailed and the amendment was adopted.

MOTION FOR RECONSIDERATION

Jennings moved that the vote whereby the Wenzel amendment to H. F. No. 2182, the first engrossment, was adopted be now reconsidered. The motion prevailed.

Wenzel withdrew his first amendment to H. F. No. 2182.

Wenzel moved to amend H. F. No. 2182, the first engrossment, as follows:

Page 4, after line 2 insert:

“Sec. 6. Minnesota Statutes 1983 Supplement, section 32.417, is amended to read:

32.417 [INVESTMENT REIMBURSEMENTS TO MANUFACTURED MILK PRODUCERS.]

An operator of a dairy farm that produces milk for sale in cans may apply for a reimbursement in the amount of \$100 for the first \$500 or fraction thereof, and ten percent of the next \$2,000, of the net expenditures by the operator for any capital improvements or equipment installed primarily for the purpose of conforming to the standards adopted in section 32.415. No reimbursement may be made to an applicant unless:

- (a) the applicant provides receipts for the expenditures;
- (b) a dairy inspector authorized by the commissioner certifies that the applicant's dairy operation complies with the

standards adopted in section 32.415 as a result of the installation of the improvements or equipment; and

(c) the expenditures for the improvements and equipment were made on or after the effective date of this section but before July 1, 1985.

The commissioner shall provide (AN) *to the operator of each dairy farm that produces milk for sale in cans a simple application form for the reimbursement (PROGRAM) provided by this section.* (BY JANUARY 1, 1984, THE COMMISSIONER SHALL ADOPT TEMPORARY RULES UNDER SECTIONS 14.29 TO 14.36 WHICH PROVIDE REIMBURSEMENT APPLICATION AND PAYMENT PROCEDURES, AND ELIGIBILITY CRITERIA BASED ON AN APPLICANT'S NEED FOR A REIMBURSEMENT. NOT WITHSTANDING THE PROVISIONS OF SECTION 14.35, THE RULES SHALL BE EFFECTIVE UNTIL JULY 1, 1985. NO REIMBURSEMENT APPLICATION MAY BE APPROVED AFTER JUNE 30, 1985.) *The department shall accept applications for the investment reimbursement program until April 30, 1985.*

Sec. 7. Minnesota Statutes 1982, section 41.56, subdivision 3, is amended to read:

Subd. 3. [DEFAULT, FILING CLAIM.] Within 90 days of a default on a guaranteed family farm security loan, the lender shall send notice to the applicant stating that the commissioner must be notified if the default continues for 180 days, and the consequences of that default. The lender and the applicant may agree to take any steps reasonable to assure the fulfillment of the loan obligation.

In cases where the participant cannot meet scheduled loan payments due to circumstances of a unique or temporary nature and the participant provides sufficient evidence to the commissioner that sufficient cash flow can be generated in the future to fully meet all needs, the commissioner may utilize funds in the special account created in section 41.61, subdivision 1, to meet the participant's loan obligation for no more than two consecutive years. These funds must be paid back to the fund within five years with interest charged at the rate of four per cent below the prevailing Federal Land Bank rates.

After 180 days from the initial default, if the applicant has not made arrangements to meet his obligation, the lender shall file a claim with the commissioner, identifying the loan and the nature of the default, and assigning to the state all of the lender's security and interest in the loan in exchange for payment according to the terms of the family farm security loan guarantee. In the case of a seller-sponsored loan, the seller may elect to pay the commissioner all sums owed the commissioner by the

applicant and retain title to the property in lieu of payment by the commissioner under the terms of the loan guarantee. If the commissioner determines that the terms of the family farm security loan guarantee have been met, he shall authorize payment of state funds to the lender, and shall notify the defaulting party. The state of Minnesota shall then succeed to the interest of the mortgagee or the vendor of the contract for deed. Taxes shall be levied and paid on the land as though the owner were a natural person and not a political subdivision of the state. The commissioner may, on behalf of the state, commence foreclosure or termination proceedings in the manner provided by law."

Re-number the sections in sequence

Amend the title as follows:

Page 1, line 4, after the semicolon insert "refining procedures and deadlines for investment reimbursement; authorizing the commissioner to use certain funds for short-term loans to help participants meet their family farm security loan obligations;"

Page 1, line 8, after "31A.08;" insert "41.56, subdivision 3;"

Page 1, line 10, after "subdivision 2;" insert "32.417;"

The motion prevailed and the amendment was adopted.

Carlson, L., and Wenzel moved to amend H. F. No. 2182, the first engrossment, as amended, as follows:

Page 4, after line 2, insert

"Sec. 8. Minnesota Statutes 1982, section 231.01, subdivision 5, is amended to read:

Subd. 5. [WAREHOUSEMAN.] The term "warehouseman," as used in this chapter, means and includes every corporation, company, association, joint stock company or association, firm, partnership, or individual, their trustees, assignees, or receivers appointed by any court, controlling, operating, or managing within this state directly or indirectly, any building or structure, or any part thereof, or any buildings or structures, or any other property, and using the same for the storage or warehousing of goods, wares, or merchandise for compensation, or who shall hold himself out as being in the storage for compensation, but shall not include persons, corporations, or other parties operating grain or cold storage warehouses, or storing on a seasonal basis boats, boating accessories, recreational vehicles or recreational equipment or facilities in which the party storing goods rents and occupies space as a tenant and the entire risk of loss is with the tenant pursuant to written contract between the landlord and tenant. *The term "warehouseman" does not include persons, cor-*

porations, or other parties who provide storage of business records or computer tapes when other services are provided including processing, printing or transporting."

Renumber the remaining sections

Amend the title as follows:

Page 1, line 4, after the semicolon insert "exempting certain corporations and persons from the definition of warehouseman;"

Page 1, line 8, after "31A.08;" insert "231.01, subdivision 5;"

The motion prevailed and the amendment was adopted.

Nelson, D., moved to amend H. F. No. 2182, the first engrossment, as amended, as follows:

Page 4, after line 2, insert:

"Sec. 9. Minnesota Statutes 1983 Supplement, section 38.02, subdivision 1, is amended to read:

Subdivision 1. [PRO RATA DISTRIBUTION; CONDITIONS.] (1) Money appropriated to aid county and district agricultural societies and associations shall be distributed among all county and district agricultural societies or associations in the state pro rata, upon condition that each of them has complied with the conditions specified in clause (2).

(2) To be eligible to participate in such distribution, each such agricultural society or association (a) shall have held an annual fair for each of the three years last past, unless prevented from doing so because of a calamity or an epidemic declared by the local board of health or the state commissioner of health to exist; (b) shall have an annual membership of 25 or more; (c) shall have paid out to exhibitors for premiums awarded at the last fair held a sum not less than the amount to be received from the state; (d) shall have published and distributed not less than three weeks before the opening day of the fair a premium list, listing all items or articles on which premiums are offered and the amounts of such premiums and shall have paid premiums pursuant to the amount shown for each article or item to be exhibited; provided that premiums for school exhibits may be advertised in the published premium list by reference to a school premium list prepared and circulated during the preceding school year; and shall have collected all fees charged for entering an exhibit at the time the entry was made and in accordance with schedule of entry fees to be charged as published in the premium list; (e) shall have paid not more than one premium on each article or item exhibited, excluding championship or sweep-

stake awards, and excluding the payment of open class premium awards to 4H Club exhibits which at this same fair had won a first prize award in regular 4H Club competition; (f) shall have submitted its records and annual report to the commissioner of agriculture on a form provided by the commissioner of agriculture, on or before the first day of (DECEMBER) *November* of the current year.

(3) All payments authorized under the provisions of this chapter shall be made only upon the presentation by the commissioner of agriculture with the commissioner of finance of a statement of premium allocations. As used herein the term premium shall mean the cash award paid to an exhibitor for the merit of an exhibit of livestock, livestock products, grains, fruits, flowers, vegetables, articles of domestic science, handicrafts, hobbies, fine arts, and articles made by school pupils, or the cash award paid to the merit winner of events such as 4H Club or Future Farmer Contest, Youth Group Contests, school spelling contests and school current events contests, the award corresponding to the amount offered in the advertised premium list referred to in schedule 2. Payments of awards for horse races, ball games, musical contests, talent contests, parades, and for amusement features for which admission is charged, are specifically excluded from consideration as premiums within the meaning of that term as used herein. Upon receipt of the statement by the commissioner of agriculture, it shall be the duty of the commissioner of finance to draw his voucher in favor of the agricultural society or association for the amount to which it is entitled under the provisions of this chapter, which amount shall be computed as follows: On the first \$750 premiums paid by each society or association, such society or association shall receive 100 percent reimbursement; on the second \$750 premiums paid, 80 percent; on the third \$750 premiums paid, 60 percent; and on any sum in excess of \$2,250, 40 percent.

(4) If the total amount of state aid to which the agricultural societies and associations are entitled under the provisions of this chapter exceeds the amount of the appropriation therefor, the amounts to which the societies or associations are entitled shall be pro rated so that the total payments by the state will not exceed the appropriation.

Sec. 10. Minnesota Statutes 1983 Supplement, section 38.02, subdivision 3, is amended to read:

Subd. 3. [CERTIFICATION, COMMISSIONER OF AGRICULTURE.] Any county or district agricultural society which has held its second annual fair is entitled to share pro rata in the distribution. The commissioner of agriculture shall certify to the secretary of the state agricultural society, within 30 days after payments have been made, a list of all county or district agricultural societies that have complied with this chapter, and which

are entitled to share in the appropriation. All payments shall be made (WITHIN THREE MONTHS AFTER THE AGRICULTURAL SOCIETIES SUBMITTED THEIR REPORTS UNDER SUBDIVISION 1, CLAUSE (2) (F)) *on or before December 20 of the year in which the fair is held or within 30 days after all societies have submitted their annual report to the commissioner of agriculture, whichever is later.*"

Renumber subsequent sections accordingly

Further, amend the title as follows:

Page 1, line 10, after the semicolon insert "38.02, subdivisions 1 and 3;"

The motion prevailed and the amendment was adopted.

Shea offered an amendment to H. F. No. 2182, the first engrossment, as amended.

POINT OF ORDER

Metzen raised a point of order pursuant to rule 3.10 that the amendment was not in order. The Speaker Pro tem Wynia ruled the point of order well taken and the amendment out of order.

H. F. No. 2182, A bill for an act relating to agriculture; changing certain duties of the commissioner; exempting certain corporations and persons from the definition of warehouseman; changing certain reporting requirements concerning agricultural land ownership; refining procedures and deadlines for investment reimbursement; authorizing the commissioner to use certain funds for short-term loans to help participants to meet their family farm security loan obligations; exempting the family farm security program from certain loan commitment approval requirements; amending Minnesota Statutes 1982, sections 21.118; 29.27; 31.11; 31A.08; 38.02, subdivisions 1 and 3; 41.56, subdivision 3; 231.01; 500.221, subdivision 2a; 500.24, subdivision 4; and Minnesota Statutes 1983 Supplement, sections 16A.80, subdivision 2; 32.417; and 500.221, subdivision 4.

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

The question was taken on the passage of the bill and the roll was called. There were 92 yeas and 22 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Begich	Brinkman	Clark, K.	Dempsey
Anderson, G.	Bishop	Carlson, D.	Clawson	Eken
Battaglia	Blatz	Carlson, L.	Cohen	Elioff
Beard	Brandl	Clark, J.	Coleman	Ellingson

Erickson	Krueger	Ogren	St. Onge	Tomlinson
Findlay	Kvam	Olsen	Sarna	Tunheim
Fjoslien	Larsen	Omann	Schafer	Uphus
Graba	Long	Onnen	Scheid	Valan
Greenfield	Mann	Osthoff	Schoenfeld	Vanasek
Gustafson	McEachern	Otis	Seaberg	Vellenga
Haukoos	McKasy	Pauly	Segal	Waltman
Heap	Metzen	Peterson	Shaver	Welch
Jensen	Minne	Piper	Simoneau	Welle
Johnson	Munger	Price	Skoglund	Wenzel
Kahn	Murphy	Quinn	Solberg	Wynia
Kalis	Nelson, D.	Reif	Sparby	Speaker Sieben
Kelly	Nelson, K.	Rice	Staten	
Knickerbocker	Neuenschwander	Rodosovich	Sviggum	
Kostohryz	Norton	Rodriguez, F.	Swanson	

Those who voted in the negative were:

Bennett	Gruenes	Levi	Quist	Valento
DenOuden	Gutknecht	Ludeman	Rose	Welker
Dimler	Halberg	Marsh	Schreiber	Wigley
Forsythe	Heinitz	Piepho	Shea	Zaffke
Frerichs	Jennings			

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

H. F. No. 229 was reported to the House.

Swanson moved to amend H. F. No. 229, the second engrossment, as follows:

Page 1, after line 7, insert:

"Section 1. Minnesota Statutes 1982, section 13.42, subdivision 2, is amended to read:

Subd. 2. [PUBLIC HOSPITALS; DIRECTORY INFORMATION.] If a person is a patient in a hospital operated by a state agency or political subdivision pursuant to legal commitment, directory information is public data. If a person is a patient other than pursuant to commitment in a hospital controlled by a state agency or political subdivision, directory information is public data unless the patient requests otherwise, in which case it is private data on individuals.

Directory information about an emergency patient who is unable to communicate which is public under this subdivision shall not be released until a reasonable effort is made to notify the next of kin. Although an individual has requested that directory information be private, the hospital (MAY) shall, subject to the restrictions imposed by section 254A.09, release directory information, upon written request, to a law enforcement agency pursuant to a lawful investigation pertaining to that individual."

Sec. 2. Minnesota Statutes 1982, section 144.335, is amended to read:

144.335 [ACCESS TO HEALTH RECORDS AND DIRECTORY INFORMATION.]

Subdivision 1. [DEFINITIONS.] For the purposes of this section, the following terms have the meanings given them:

(a) "Patient" means a natural person who has received health care services from a provider for treatment of a medical, psychiatric or mental condition, or a person he designates in writing as his representative. Except for minors who have received health care services pursuant to sections 144.341 to 144.347, in the case of a minor, "patient" includes a parent or guardian, or a person acting as a parent or guardian in the absence of a parent or guardian.

(b) "Provider" means (1) any person who furnishes health care services and is licensed to furnish the services pursuant to chapters 147, 148, 150A, 151 or 153; and (2) a health care facility licensed pursuant to chapters 144 or 144A.

(c) "*Directory information*" means the name of the patient, date admitted, general condition, and date released.

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) the pertinent portion of the record relating to a specific condition; or (c) a summary of the record.

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. The information may be supplied to an appropriate third party or to another provider, as defined in subdivision 1, clause (b) (1). The provider or third party may release the information to the patient.

Subd. 3. [PROVIDER TRANSFERS AND LOANS.] A patient's health record, including but not limited to, laboratory reports, x-rays, prescriptions, and other technical information

used in assessing the patient's condition, or the pertinent portion of the record relating to a specific condition, or a summary of the record, shall be furnished to another provider upon the written request of the patient. The written request shall specify the name of the provider to whom the health record is to be furnished. The provider who furnishes the health record or summary may retain a copy of the materials furnished. The patient shall be responsible for the reasonable costs of furnishing the information.

Subd. 3a. [DISCLOSURE OF DIRECTORY INFORMATION.] 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. Directory information which relates to an emergency patient who is unable to communicate, shall not be released until a reasonable effort is made to notify the next of kin. Although an individual has requested that directory information be private, the provider shall, subject to the restrictions imposed by section 254A.09, release directory information, upon written request, to a law enforcement agency pursuant to a lawful investigation pertaining to that individual.

Subd. 4. [ADDITIONAL PATIENT RIGHTS.] The rights set forth in this section are in addition to the rights set forth in sections 144.651 and 144.652 and any other provision of law relating to the access of a patient to his health records.

Page 2, after line 11, insert:

Sec. 4. Minnesota Statutes 1982, section 254A.09, is amended to read:

254A.09 [CONFIDENTIALITY OF RECORDS.]

Subdivision 1. [CONFIDENTIALITY REQUIRED.] The department of public welfare shall assure confidentiality to individuals who are the subject of research by the state authority or treatment by an approved treatment program. The commissioner shall withhold from all persons not connected with the conduct of the research or treatment the names or other identifying characteristics of the individual unless the individual gives written permission that information relative to his treatment and recovery may be discussed with a prospective employer by either an approved treatment program staff member or a qualified employment counselor. Persons authorized to protect the privacy of these individuals may not be compelled in any federal, state or local, civil, criminal, administrative or other proceeding to identify or disclose other confidential information about the individuals. However, a person may be compelled to identify or disclose confidential information in civil investigations or proceedings related to neglect or termination of parental rights if the

court determines good cause exists to believe that the person can disclose information that is relevant to the findings which the court is being asked to make. In determining whether to compel disclosure, the court shall weigh the public interest and the need for disclosure against the injury to the patient, to the treatment relationship, and to the treatment services if disclosure occurs.

Subd. 2. [DISCLOSURE PERMITTED.] The presence of any in-patient in a medical facility or resident in a residential facility for the treatment of drug or alcohol abuse may be disclosed to callers and visitors with the in-patient's or resident's written consent. Without the consent, the presence of any in-patient or resident in a facility for the treatment of a variety of conditions may be disclosed to a law enforcement agency pursuant to a lawful investigation pertaining to that individual, if the disclosure does not indicate that the patient is being treated for drug or alcohol abuse."

Renumber sections

Amend the title as follows:

Page 1, line 3, after the semicolon, insert "requiring disclosure of certain medical data or medical information for purposes of a lawful investigation;"

Page 1, line 3, after "amending" insert "Minnesota Statutes 1982, sections 13.42, subdivision 2; 144.335; 254A.09; and"

The motion prevailed and the amendment was adopted.

H. F. No. 229, A bill for an act relating to health; allowing any interested person to seek enforcement of certain patient rights; requiring disclosure of certain medical data or medical information for purposes of a lawful investigation; amending Minnesota Statutes 1982, sections 13.42, subdivision 2; 144.335; 254A.09; and Minnesota Statutes 1983 Supplement, section 144.651, subdivision 1.

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

The question was taken on the passage of the bill and the roll was called. There were 113 yeas and 6 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Bennett	Brandl	Clark, K.	Dimler
Anderson, G.	Bergstrom	Brinkman	Clawson	Eken
Battaglia	Bishop	Carlson, D.	Cohen	Eloff
Beard	Blatz	Carlson, L.	Coleman	Ellingson
Begich	Boo	Clark, J.	DenOuden	Erickson

Evans	Kelly	Nelson, D.	Riveness	Staten
Fjoslien	Knickerbocker	Nelson, K.	Rodosovich	Sviggum
Frerichs	Knuth	Neuenschwander	Rodriguez, C.	Swanson
Graba	Kostohryz	Norton	Rodriguez, F.	Thiede
Greenfield	Krueger	O'Connor	Rose	Tomlinson
Gruenes	Kvam	Ogren	St. Onge	Uphus
Gustafson	Larsen	Omann	Sarna	Valan
Gutknecht	Long	Onnen	Schafer	Valento
Halberg	Ludeman	Osthoff	Scheid	Vanasek
Haukoos	Mann	Otis	Schoenfeld	Vellenga
Heap	Marsh	Peterson	Seaberg	Voss
Heinitz	McDonald	Piper	Segal	Waltman
Hoffman	McEachern	Price	Shaver	Welch
Jacobs	McKasy	Quinn	Shea	Wenzel
Jensen	Metzen	Quist	Simoneau	Wynia
Johnson	Minne	Redalen	Skoglund	Speaker Sieben
Kahn	Munger	Reif	Solberg	
Kalis	Murphy	Rice	Sparby	

Those who voted in the negative were:

Dempsey	Olsen	Picpho	Welker	Wigley
Jennings				

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

H. F. No. 994 was reported to the House.

Coleman moved to amend H. F. No. 994, the first engrossment, as follows:

Page 4, line 2, after "*given*" insert "*effect*"

The motion prevailed and the amendment was adopted.

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.

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

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

Those who voted in the affirmative were:

Anderson, B.	Brandl	Dempsey	Forsythe	Heinitz
Anderson, G.	Brinkman	DenOuden	Frerichs	Himle
Battaglia	Burger	Dimler	Graba	Hoffman
Beard	Carlson, D.	Eken	Greenfield	Hokr
Begich	Carlson, L.	Elioff	Gruenes	Jacobs
Bennett	Clark, J.	Ellingson	Gustafson	Jennings
Bergstrom	Clark, K.	Erickson	Gutknecht	Jensen
Bishop	Clawson	Evans	Halberg	Johnson
Blatz	Cohen	Findlay	Haukoos	Kahn
Boo	Coleman	Fjoslien	Heap	Kalis

Kelly	Minne	Piepho	Scheid	Valan
Knickerbocker	Munger	Piper	Schoenfeld	Valento
Knuth	Murphy	Price	Schreiber	Vanasek
Kostohryz	Nelson, D.	Quinn	Segal	Vellenga
Krueger	Nelson, K.	Quist	Shaver	Voss
Kvam	Neuenschwander	Redalen	Shea	Waltman
Larsen	Norton	Reif	Simoneau	Welch
Levi	O'Connor	Rice	Skoglund	Welker
Long	Ogren	Riveness	Sparby	Wenzel
Ludeman	Olsen	Rodosovich	Staten	Wigley
Mann	Omann	Rodriguez, C.	Sviggum	Wynia
Marsh	Onnen	Rodriguez, F.	Swanson	Speaker Sieben
McDonald	Osthoff	Rose	Thiede	
McEachern	Otis	St. Onge	Tomlinson	
McKasy	Pauly	Sarna	Tunheim	
Metzen	Peterson	Schafer	Uphus	

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

The Speaker resumed the chair.

H. F. No. 1203 was reported to the House.

There being no objection H. F. No. 1203 was temporarily laid over on Special Orders.

H. F. No. 1386 was reported to the House.

Levi and Reif moved to amend H. F. No. 1386, the first engrossment, as follows:

Page 6, after line 6, insert:

“Sec. 8. [609.3471] [RECORDS PERTAINING TO VICTIM IDENTITY CONFIDENTIAL.]

Notwithstanding any provision of law to the contrary, none of the records or reports relating to complaints or indictments issued pursuant to sections 609.342, clauses (a) or (b); 609.343, clauses (a) or (b); 609.344, clauses (a) or (b); 609.345, clauses (a) or (b); or 609.3641 to 609.3644, pertaining to the identity of the victim shall be open to public inspection, except by order of the court.

Sec. 9. 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, or by a person in a position of authority, as defined in section 609.341, subdivision 10, 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 *whether paid or unpaid*, 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."

Re-number the remaining section

Correct internal references

Amend the title as follows:

Page 1, line 2, delete "the juvenile court" and insert "children"

Page 1, line 3, after "the" insert "juvenile"

Page 1, line 4, after the semicolon, insert: "prohibiting public inspection of certain court records relating to the identity of criminal sexual conduct victims; clarifying a term in the child abuse reporting law;"

Page 1, line 7, after the semicolon, insert "Minnesota Statutes 1983 Supplement, section 626.556, subdivision 2;"

Page 1, line 8, delete "chapter" and insert "chapters" and after "260" insert "and 609"

The motion prevailed and the amendment was adopted.

H. F. No. 1386, A bill for an act relating to children; authorizing intervention by the juvenile court to protect children from abuse committed by family or household members; prohibiting public inspection of certain court records relating to the identity of criminal sexual conduct victims; clarifying a term in the child abuse reporting law; amending Minnesota Statutes 1982, sections 260.015, by adding subdivisions; 260.111, by adding a subdivision; and 260.191, by adding a subdivision; Minnesota Statutes 1983 Supplement, section 626.556, subdivision 2; proposing new law coded in Minnesota Statutes, chapters 260 and 609.

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

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

Those who voted in the affirmative were:

Anderson, B.	Carlson, L.	Fjoslien	Hokr	Levi
Anderson, G.	Clark, J.	Forsythe	Jacobs	Long
Battaglia	Clark, K.	Frerichs	Jennings	Ludeman
Beard	Clawson	Graba	Jensen	Mann
Begich	Cohen	Greenfield	Johnson	Marsh
Bennett	Coleman	Gruenes	Kahn	McDonald
Bergstrom	Dempsey	Gustafson	Kalis	McKasy
Bishop	DenOuden	Gutknecht	Kelly	Minne
Blatz	Dimler	Halberg	Knickerbocker	Munger
Boo	Elioff	Haukoos	Knuth	Murphy
Brandl	Ellingson	Heap	Kostohryz	Nelson, D.
Brinkman	Erickson	Heinitz	Krueger	Nelson, K.
Burger	Evans	Himle	Kvam	Neuenschwander
Carlson, D.	Findlay	Hoffman	Larsen	Norton

O'Connor	Quinn	Schafer	Sparby	Waltman
Ogren	Quist	Scheid	Staten	Welch
Olsen	Redalen	Schoenfeld	Sviggum	Welker
Omamm	Reif	Schreiber	Swanson	Welle
Onnen	Rice	Seaberg	Thiede	Wenzel
Osthoff	Riveness	Segal	Tomlinson	Wigley
Otis	Rodosovich	Shaver	Tunheim	Wynia
Pauly	Rodriguez, C.	Shea	Uphus	Speaker Sieben
Peterson	Rodriguez, F.	Sherman	Valan	
Piepho	Rose	Simoneau	Valento	
Piper	St. Onge	Skoglund	Vellenga	
Price	Sarna	Solberg	Voss	

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

H. F. No. 1452 was reported to the House.

Quinn moved that H. F. No. 1452 be returned to its author. The motion prevailed.

H. F. No. 1561 was reported to the House.

SUSPENSION OF RULES

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, Swanson moved that the rule therein be suspended and an urgency be declared so that H. F. No. 1561 be given its third reading and be placed upon its final passage. The motion prevailed.

Swanson moved that the rules of the House be so far suspended that H. F. No. 1561 be given its third reading and be placed upon its final passage. The motion prevailed.

Swanson moved to amend H. F. No. 1561, as amended, by the Committee on Appropriations, as follows:

Page 8, line 31, delete "*Underwriting*"

Page 8, delete lines 32 to 36

The motion prevailed and the amendment was adopted.

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 organiza-

tions 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.

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

The question was taken on the passage of the bill and the roll was called. There were 113 yeas and 4 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Ellingson	Knuth	Otis	Simoneau
Anderson, G.	Erickson	Kostohryz	Peterson	Skoglund
Battaglia	Evans	Krueger	Piepho	Solberg
Beard	Findlay	Kvam	Piper	Sparby
Begich	Fjoslien	Larsen	Price	Staten
Bennett	Forsythe	Levi	Quinn	Swiggum
Bergstrom	Graba	Long	Quist	Swanson
Bishop	Greenfield	Mann	Redalen	Tomlinson
Boo	Gustafson	Marsh	Reif	Uphus
Brandl	Gutknecht	McDonald	Rice	Valan
Brinkman	Halberg	McEachern	Rodosovich	Valento
Burger	Haukoos	McKasy	Rodriguez, F.	Vanasek
Carlson, L.	Heap	Metzen	Rosé	Vellenga
Clark, J.	Heinitz	Minne	St. Onge	Voss
Clark, K.	Himle	Munger	Sarna	Waltman
Clawson	Hoffman	Murphy	Schafer	Welch
Cohen	Jacobs	Nelson, K.	Scheid	Welle
Coleman	Jennings	Norton	Schoenfeld	Wenzel
Dempsey	Jensen	O'Connor	Seaberg	Wigley
DenOuden	Johnson	Ogren	Segal	Wynia
Dimler	Kalis	Olsen	Shaver	Speaker Sieben
Eken	Kelly	Omann	Shea	
Elioff	Knickerbocker	Osthoff	Sherman	

Those who voted in the negative were:

Ludeman	Onnen	Thiede	Welker
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The bill was passed, as amended, and its title agreed to.

S. F. No. 1931 was reported to the House.

Cohen moved that S. F. No. 1931 be continued on Special Orders for one day. The motion prevailed.

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

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 third 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.	Dempsey	Himle	Mann	Pauly
Anderson, G.	DenOuden	Hoffman	Marsh	Peterson
Battaglia	Dimler	Hokr	McDonald	Piepho
Beard	Eken	Jacobs	McEachern	Piper
Begich	Elioff	Jennings	McKasy	Price
Bennett	Ellingson	Jensen	Metzen	Quinn
Bergstrom	Erickson	Johnson	Minne.	Quist
Bishop	Evans	Kahn	Munger	Reif
Blatz	Findlay	Kalis	Nelson, D.	Rice
Boo	Fjoslien	Kelly	Nelson, K.	Riveness
Brandl	Forsythe	Knickerbocker	Neuenschwander	Rodosovich
Brinkman	Graba	Knuth	Norton	Rodriguez, C.
Burger	Greenfield	Kostohryz	O'Connor	Rodriguez, F.
Carlson, L.	Gruenes	Krueger	Ogren	Rose
Clark, J.	Gutknecht	Kvam	Olsen	St. Onge
Clark, K.	Halberg	Larsen	Omann	Sarna
Clawson	Haukoos	Levi	Onnen	Schafer
Cohen	Heap	Long	Osthoff	Scheid
Coleman	Heinitz	Ludeman	Otis	Schoenfeld

Schreiber	Simoneau	Thiede	Vellenga	Wenzel
Seaberg	Skoglund	Tomlinson	Voss	Wigley
Segal	Solberg	Tunheim	Waltman	Wynia
Shaver	Sparby	Valan	Welch	Zaffke
Shea	Sviggum	Valento	Welker	Speaker Sieben
Sherman	Swanson	Vanasek	Welle	

The bill was passed and its title agreed to.

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

The bill was passed and its title agreed to.

S. F. No. 1891, A bill for an act relating to public employees; providing standards for certain disciplinary actions; amending Minnesota Statutes 1982, section 43A.33, 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.	Ellingson	Knuth	Osthoff	Shea
Anderson, G.	Erickson	Kostohryz	Otis	Sherman
Battaglia	Evans	Krueger	Pauly	Simoneau
Beard	Findlay	Kvam	Peterson	Skoglund
Begich	Fjoslien	Larsen	Piepho	Solberg
Bennett	Forsythe	Long	Piper	Sparby
Bergstrom	Graba	Ludeman	Price	Swiggum
Bishop	Greenfield	Mann	Quinn	Swanson
Blatz	Gruenes	Marsh	Quist	Thiede
Boo	Cutknecht	McDonald	Reif	Tunheim
Brandl	Halberg	McEachern	Rice	Uphus
Brinkman	Haukoos	McKasy	Riveness	Valan
Burger	Heap	Metzen	Rodosovich	Valento
Carlson, D.	Heimitz	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	Scheid	Welle
Dempsey	Johnson	O'Connor	Schoenfeld	Wenzel
DenOuden	Kahn	Ogren	Schreiber	Wigley
Dimler	Kalis	Olsen	Seaberg	Wynia
Eken	Kelly	Omann	Segal	Zaffke
Elioff	Knickerbocker	Onnen	Shaver	Speaker Sieben

The bill was passed and its title agreed to.

S. F. No. 1986, 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 third 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.	Burger	Elioff	Heap	Kostohryz
Anderson, G.	Carlson, D.	Ellingson	Hoffman	Krueger
Battaglia	Carlson, L.	Erickson	Hokr	Kvam
Beard	Clark, J.	Findlay	Jacobs	Larsen
Begich	Clark, K.	Fjoslien	Jennings	Levi
Bennett	Clawson	Forsythe	Jensen	Long
Bergstrom	Cohen	Frerichs	Johnson	Ludeman
Bishop	Coleman	Greenfield	Kahn	Mann
Blatz	Dempsey	Gruenes	Kalis	McDonald
Boo	DenOuden	Gutknecht	Kelly	McEachern
Brandl	Dimler	Halberg	Knickerbocker	McKasy
Brinkman	Eken	Haukoos	Knuth	Metzen

Minne	Otis	Rodriguez, F.	Simoneau	Vellenga
Munger	Pauly	Rose	Skoglund	Voss
Murphy	Peterson	St. Onge	Solberg	Waltman
Nelson, D.	Piepho	Sarna	Sparby	Welch
Nelson, K.	Piper	Schafer	Sviggum	Welker
Neuenschwander	Price	Scheid	Swanson	Welle
Norton	Quinn	Schoenfeld	Thiede	Wenzel
O'Connor	Quist	Schreiber	Tomlinson	Wigley
Ogren	Reif	Seaberg	Tunheim	Wynia
Olsen	Rice	Segal	Uphus	Zaffke
Omann	Riveness	Shaver	Valan	Speaker Sieben
Onnen	Rodosovich	Shea	Valento	
Osthoff	Rodriguez, C.	Sherman	Vanasek	

The bill was passed and its title agreed to.

S. F. No. 2168 was reported to the House.

Begich and Fjoslien moved to amend S. F. No. 2168, as follows:

Page 1, line 21, delete the new language

The motion prevailed and the amendment was adopted.

Begich moved to amend S. F. No. 2168, as amended, as follows:

Page 1, line 16, after "vehicle" insert "traveling on interstate freeways"

The motion prevailed and the amendment was adopted.

S. F. No. 2168, A bill for an act relating to transportation; highways; requiring certain loads of firewood to be securely covered or fastened; amending Minnesota Statutes 1982, section 169.81, subdivision 5.

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

The question was taken on the passage of the bill and the roll was called. There were 68 yeas and 50 nays as follows:

Those who voted in the affirmative were:

Battaglia	Cohen	Jensen	Murphy	Piper
Beard	Coleman	Kalis	Nelson, D.	Price
Begich	Eken	Knuth	Nelson, K.	Quinn
Bergstrom	Ellingson	Krueger	Neuenschwander	Riveness
Brandl	Erickson	Larsen	O'Connor	Rodriguez, C.
Brinkman	Graba	Mann	Ogren	Rodriguez, F.
Carlson, L.	Gruenes	McDonald	Omann	St. Onge
Clark, J.	Gustafson	McEachern	Osthoff	Sarna
Clark, K.	Hoffman	Metzen	Otis	Scheid
Clawson	Jacobs	Munger	Peterson	Schoenfeld

Schreiber	Sherman	Tunheim	Voss	Wenzel
Seaberg	Simoneau	Uphus	Welch	Wynia
Segal	Sparby	Vanasek	Welle	Speaker Sieben
Shaver	Swanson	Vellenga		

Those who voted in the negative were:

Anderson, B.	Elioff	Himle	Olsen	Skoglund
Anderson, C.	Evans	Hokr	Onnen	Solberg
Bennett	Findlay	Jennings	Pauly	Sviggum
Bishop	Fjoslien	Knickerbocker	Piepho	Thiede
Blatz	Forsythe	Kvam	Quist	Valan
Burger	Frerichs	Levi	Redafen	Valento
Carlson, D.	Halberg	Ludemän	Rodosovich	Waltman
Dempsey	Haukoos	Marsh	Rose	Welker
DenOuden	Heap	Minne	Schafer	Wigley
Dimler	Heinitz	Norton	Shea	Zaffke

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

S. F. No. 1563 was reported to the House.

O'Connor moved that S. F. No. 1563 be continued on Special Orders for one day. The motion prevailed.

S. F. No. 1853 was reported to the House.

There being no objection S. F. No. 1853 was temporarily laid over on Special Orders.

S. F. No. 1258 was reported to the House.

Clark, K., moved to amend S. F. No. 1258, as follows:

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 pollution, 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 of-

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 shipper 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 com-

missioner 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."

The motion prevailed and the amendment was adopted.

Ogren and Otis moved to amend S. F. No. 1258, as amended, as follows:

Page 8, after line 9, after the period insert a new section to read:

"Sec. 17. [216B.70] [NUCLEAR POWER PLANTS; CONDITIONS FOR CONSTRUCTION.]

Notwithstanding any law to the contrary, no nuclear fission electric generating plant may be constructed in the state after July 1, 1984, unless the following conditions have been met:

(1) *the commission finds that there has been developed and that the United States through its authorized agency has approved and there exists a demonstrated successful method for the safe permanent and terminal disposal of high-level radioactive waste; and*

(2) *the commission reports its findings to the legislature, and the construction of the nuclear fission electric generating plant is expressly approved by law."*

Renumber subsequent sections

Amend the title as follows:

Page 8, line 10, before the period insert "and 216B"

A roll call was requested and properly seconded.

Jennings moved to amend the Ogren amendment to S. F. No. 1258, as amended, as follows:

Line 7, delete "in" insert "by"

A roll call was requested and properly seconded.

The question was taken on the amendment to the amendment and the roll was called. There were 50 yeas and 67 nays as follows:

Those who voted in the affirmative were:

Bennett	Evans	Himle	Onnen	Shaver
Bishop	Findlay	Jennings	Pauly	Sviggum
Blatz	Fjoslien	Johnson	Piepho	Thiede
Boo	Forsythe	Kalis	Quist	Uphus
Burger	Frerichs	Knickerbocker	Redalen	Valan
Carlson, D.	Gruenes	Kvam	Reif	Valento
Dempsey	Gutknecht	Levi	Rose	Waltman
DenOuden	Halberg	Ludeman	Schafer	Welker
Dimler	Haukoos	McDonald	Schreiber	Wigley
Erickson	Heinitz	Omann	Seaberg	Zaffke

Those who voted in the negative were:

Anderson, B.	Clawson	Kelly	Murphy	Rice
Anderson, G.	Cohen	Knuth	Nelson, D.	Riveness
Battaglia	Coleman	Kostohryz	Neuenschwander	Rodosovich
Beard	Eken	Krueger	Norton	Rodriguez, C.
Begich	Elioff	Larsen	O'Connor	Rodriguez, F.
Bergstrom	Ellingson	Long	Ogren	St. Onge
Brandl	Graba	Mann	Otis	Sarna
Brinkman	Greenfield	Marsh	Peterson	Scheid
Carlson, L.	Hoffman	McEachern	Piper	Schoenfeld
Clark, J.	Jacobs	Metzen	Price	Segal
Clark, K.	Jensen	Munger	Quinn	Simoneau

Skoglund	Tunheim	Voss	Welle	Wynia
Solberg	Vanasek	Welch	Wenzel	Speaker Sieben
Swanson	Vellenga			

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

POINT OF ORDER

Welker raised a point of order pursuant to rule 3.9 that the Ogren and Otis amendment to S. F. No. 1258, was not in order. The Speaker ruled the point of order not well taken and the amendment in order.

The question recurred on the Ogren and Otis amendment and the roll was called. There were 59 yeas and 63 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Fjoslien	Marsh	Price	Shea
Anderson, G.	Graba	McEachern	Quinn	Sherman
Battaglia	Greenfield	Munger	Rice	Simoneau
Bergstrom	Gustafson	Murphy	Riveness	Skoglund
Brandl	Hoffman	Nelson, D.	Rodosovich	Vanasek
Clark, J.	Jensen	Neuenschwander	Rodriguez, C.	Vellenga
Clark, K.	Kahn	Norton	Rodriguez, F.	Welch
Clawson	Kalis	Ogren	St. Onge	Welle
Cohen	Knuth	Olsen	Sarna	Wenzel
Coleman	Larsen	Otis	Scheid	Wynia
Eken	Long	Peterson	Schoenfeld	Speaker Sieben
Ellingson	Mann	Piper	Segal	

Those who voted in the negative were:

Beard	Erickson	Johnson	Onnen	Thiede
Begich	Findlay	Kelly	Pauly	Tomlinson
Bennett	Forsythe	Knickerbocker	Piepho	Tunheim
Bishop	Frerichs	Kostohryz	Quist	Uphus
Blatz	Gruenes	Krueger	Redalen	Valan
Boo	Gutknecht	Kvam	Reif	Valento
Brinkman	Halberg	Levi	Rose	Voss
Burger	Haukoos	Ludeman	Schafer	Waltman
Carlson, L.	Heap	McDonald	Schreiber	Welker
Dempsey	Heinitz	McKasy	Seaberg	Wigley
DenOuden	Himle	Metzen	Shaver	Zaffke
Dimler	Hokr	Minne	Sviggum	
Elioff	Jennings	Omann	Swanson	

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

S. F. No. 1258, 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; regulating nuclear fission electric generat-

ing plants in Minnesota; amending Minnesota Statutes 1982, section 116C.71, by adding subdivisions; and 116C.74; proposing new law coded in Minnesota Statutes, chapters 116C and 216B.

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

The question was taken on the passage of the bill and the roll was called. There were 126 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
Battaglia	Findlay	Larsen	Piper	Sparby
Beard	Fjoslien	Levi	Price	Swiggum
Begich	Forsythe	Long	Quinn	Swanson
Bennett	Frerichs	Ludeman	Quist	Thiede
Bergstrom	Graba	Mann	Redalen	Tomlinson
Bishop	Greenfield	Marsh	Reif	Tunheim
Blatz	Gruenes	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.	Heintz	Munger	Rose	Waltman
Carlson, L.	Himle	Murphy	St. Onge	Welch
Clark, J.	Hoffman	Nelson, D.	Sarna	Welker
Clark, K.	Hokr	Neuenschwander	Schafer	Welle
Clawson	Jacobs	Norton	Scheid	Wenzel
Cohen	Jennings	O'Connor	Schoenfeld	Wigley
Coleman	Jensen	Ogren	Schreiber	Wynia
Dempsey	Johnson	Olsen	Seaberg	Zaffke
DenOuden	Kahn	Omann	Segal	Speaker Sieben
Dimler	Kalis	Onnen	Shaver	
Eken	Knickerbocker	Osthoff	Shea	
Elioff	Knuth	Otis	Sherman	
Ellingson	Kostohryz	Pauly	Simoneau	

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

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 third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 117 yeas and 4 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Begich	Blatz	Burger	Clawson
Anderson, G.	Bennett	Boo	Carlson, D.	Coleman
Battaglia	Bergstrom	Brandl	Carlson, L.	Dempsey
Beard	Bishop	Brinkman	Clark, K.	DenOuden

Dimler	Hokr	Munger	Riveness	Tomlinson
Eken	Jacobs	Murphy	Rodosovich	Tunheim
Elioff	Jennings	Nelson, D.	Rodriguez, C.	Uphus
Ellingson	Jensen	Neuenschwander	Rodriguez, F.	Valan
Erickson	Johnson	Norton	Rose	Valento
Evans	Kalis	Ogren	St. Onge	Vanasek
Findlay	Knickerbocker	Olsen	Scheid	Vellenga
Fjoslien	Knuth	Omann	Schoenfeld	Voss
Forsythe	Kostohryz	Onnen	Schreiber	Waltman
Frerichs	Krueger	Osthoff	Seaberg	Welch
Graba	Kvam	Otis	Segal	Welker
Greenfield	Larsen	Pauly	Shaver	Welle
Gruenes	Levi	Peterson	Shea	Wenzel
Gutknecht	Ludeman	Piepho	Sherman	Wigley
Halberg	Mann	Piper	Simoneau	Wynia
Haukoos	Marsh	Price	Skoglund	Zaffke
Heap	McDonald	Quinn	Sparby	Speaker Sieben
Heinitz	McKasy	Quist	Sviggum	
Himle	Metzen	Redalen	Swanson	
Hoffman	Minne	Reif	Thiede	

Those who voted in the negative were:

Kelly McEachern O'Connor Sarna

The bill was passed and its title agreed to.

S. F. No. 1398 was reported to the House.

Olsen moved to amend S. F. No. 1398, as follows:

Page 1, line 17, after "unless" delete "*the person to be arrested is found*"

Page 1, line 18, before "upon" delete "*on a public highway or street, or in a public place or*"

Page 1, line 19, after "warrant" insert "*, or unless the person named in the warrant is found on a public highway or street*"

Delete the title and insert:

"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 motion prevailed and the amendment was adopted.

Olsen moved to amend S. F. No. 1398, as amended, as follows:

Page 1, after line 19, insert:

"Sec. 2. Minnesota Statutes 1982, section 629.72, subdivision 1, is amended to read:

Subdivision 1. [DETENTION IN LIEU OF CITATION; RELEASE.] Notwithstanding any other law or rule to the contrary, an arresting officer may not issue a citation in lieu of arrest and detention to an individual charged with assaulting his spouse or other individual with whom he resides.

Notwithstanding any other law or rule to the contrary, an individual who is arrested on a charge of assaulting his spouse or other person with whom he resides shall be brought to the police station or county jail. The officer in charge of the police station or the county sheriff in charge of the jail shall issue a citation in lieu of continued detention unless it reasonably appears to the officer or sheriff that detention is necessary to prevent bodily harm to the arrested person or another, or there is a substantial likelihood the arrested person will fail to respond to a citation.

If the arrested person is not issued a citation by the officer in charge of the police station or the county sheriff, he shall be brought before the nearest available judge of the county court or county municipal court in the county in which the alleged assault took place without unnecessary delay (, BUT NO MORE THAN 24 HOURS AFTER HIS ARREST, EXCLUSIVE OF SUNDAYS AND LEGAL HOLIDAYS) *as provided in court rule.*

Sec. 3. Minnesota Statutes 1982, section 629.72, subdivision 3, is amended to read:

Subd. 3. [RELEASE (AFTER 24 HOURS).] If the arrested person is not issued a citation by the officer in charge of the police station or the county sheriff pursuant to subdivision 1, and is not brought before a judge within the time limits prescribed in (SUBDIVISION 1) *court rule*, he shall be released by the arresting authorities, and a citation shall be issued in lieu of continued detention."

Amend the title as follows:

Page 1 of the Olsen amendment, before "amending" insert "altering release and detention procedures in certain cases;"

Page 1, of the Olsen amendment after, "Statutes" insert "1982, section 629.72, subdivisions 1 and 3; and Minnesota Statutes"

The motion prevailed and the amendment was adopted.

Bishop, Vanasek, Seaberg and Staten moved to amend S. F. No. 1398, as amended, as follows:

Page 1, line 19, before the period, insert:

“, and the warrant is based on a criminal misdemeanor. If the warrant is based on a petty misdemeanor for a parking violation, an arrest between the hours of 10:00 p.m. and 8:00 a.m. on a public highway or street may be made only if the warrant is based on more than one violation.”

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 22 yeas and 92 nays as follows:

Those who voted in the affirmative were:

Beard	Erickson	Johnson	Pauy	Sherman
Bishop	Frerichs	Krueger	Schoenfeld	Valan
Blatz	Graba	Norton	Seaberg	Vellenga
Dempsey	Gustafson	Otis	Shea	Waltman
Ellingson	Gutknecht			

Those who voted in the negative were:

Anderson, B.	Elioff	Knickerbocker	Omann	Shaver
Anderson, G.	Evans	Knuth	Onnen	Skoglund
Battaglia	Findlay	Kostohryz	Osthoff	Solberg
Begich	Fjoslien	Larsen	Peterson	Sparby
Bennett	Forsythe	Levi	Piepho	Swanson
Bergstrom	Greenfield	Ludeman	Price	Thiede
Boo	Gruenes	Mann	Quinn	Tunheim
Brandl	Halberg	Marsh	Quist	Uphus
Brinkman	Haukoos	McDonald	Reif	Valento
Burger	Heap	McEachern	Rice	Vanasek
Carlson, L.	Heinitz	McKasy	Riveness	Welch
Clark, J.	Himle	Metzen	Rodosovich	Welker
Clark, K.	Hoffman	Minne	Rodriguez, C.	Wenzel
Clawson	Hokr	Murphy	Rodriguez, F.	Wigley
Cohen	Jacobs	Nelson, D.	Rose	Zaffke
Coleman	Jennings	Nelson, K.	St. Onge	Speaker Sieben
DenOuden	Jensen	Neuenschwander	Schafer	
Dimler	Kalis	Ogren	Schreiber	
Eken	Kelly	Olsen	Segal	

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

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 third time, as amended, and placed upon its final passage.

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

Those who voted in the affirmative were:

Anderson, B.	Erickson	Kostohryz	Pauly	Skoglund
Anderson, G.	Evans	Krueger	Peterson	Solberg
Battaglia	Findlay	Kvam	Piepho	Sparby
Beard	Fjoslien	Larsen	Piper	Sviggum
Begich	Forsythe	Levi	Quinn	Swanson
Bennett	Frerichs	Long	Quist	Thiede
Bergstrom	Graba	Ludeman	Redalen	Tomlinson
Bishop	Greenfield	Mann	Reif	Tunheim
Blatz	Gruenes	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	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	Scheid	Wenzel
Cohen	Jennings	Norton	Schoenfeld	Wigley
Coleman	Jensen	O'Connor	Schreiber	Wynia
Dempsey	Johnson	Ogren	Seaberg	Zaffke
DenOuden	Kahn	Olsen	Segal	Speaker Sieben
Dimler	Kalis	Omann	Shaver	
Eken	Kelly	Onnen	Shea	
Elioff	Knickerbocker	Osthoff	Sherman	
Ellingson	Knuth	Otis	Simoneau	

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

H. F. No. 1203 which was temporarily laid over earlier today was again reported to the House.

Norton moved to amend H. F. No. 1203, the first engrossment, as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 504.22, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] As used in this section,

(a) "tenant" shall have the meaning assigned to it in section 566.18, but for purposes of section 2, it 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. [DISCLOSURE STATEMENT.] The attorney general shall prepare and make available to the public a statement which summarizes the significant legal rights and obligations of owners and tenants of rental dwelling units. The statement shall include descriptions of 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 brief, accurate, and complete in identifying significant legal rights and obligations, and written using words with common, everyday meanings.

Sec. 3. Minnesota Statutes 1982, section 504.22, subdivision 3, is amended to read:

Subd. 3. [POSTING OF NOTICE.] A printed or type-written notice containing the information which must be disclosed under subdivision 2 shall be placed in a conspicuous place on the premises. Unless the owner is required to post a notice required by section 5, the owner shall also place in a conspicuous place on the premises a notice that states that a copy of the statement required by section 2 is available from the attorney general to any tenant upon request unless the owner is required to post the notice required by section 5. 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.

Sec. 4. Minnesota Statutes 1982, section 504.22, subdivision 5, is amended to read:

Subd. 5. Except as otherwise provided in this subdivision, no action to recover rent or possession of the premises shall be maintained unless the information required by this section has been disclosed to the tenant in the manner provided herein, or unless the information required by this section is known by or has been disclosed to the tenant at least 30 days prior to the initiation of such action. Failure by the owner to post a notice required by sections 3 or 5 is not a defense to an action

brought by the owner under chapter 566 to recover rent or possession of the premises.

Sec. 5. [471.995] [RENTAL DWELLING NOTICE.]

Any license or registration or certificate of occupancy or a similar document that is issued by a home rule charter or statutory city or by a town and that is required to be posted in a building containing multiple rental dwelling units shall contain a statement that tenants of the dwelling units may contact the attorney general for information regarding the rights and obligations of owners and tenants under state law. The statement shall include the telephone number and address of the attorney general.

Amend the title as follows:

Page 1, line 2, delete the second "landlords"

Page 1, line 3, delete "of residential rental units to notify" and insert "cities and towns to include notification of rights on certificates or licenses of occupancy; requiring the attorney general to publish a statement informing"

Page 1, line 4, delete "providing a penalty;"

Page 1, line 6, delete "and 3" and insert ", 3, 5"

Page 1, line 6, delete the second "subdivisions" and insert "a subdivision; proposing new law coded in Minnesota Statutes, chapter 471"

The motion prevailed and the amendment was adopted.

H. F. No. 1203, A bill for an act relating to landlords and tenants; requiring cities and towns to include notification of rights on certificates or licenses of occupancy; requiring the attorney general to publish a statement informing tenants of their rights and duties under state law; amending Minnesota Statutes 1982, section 504.22, subdivisions 1, 3, and 5; and by adding a subdivision; proposing new law coded in Minnesota Statutes, chapter 471.

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

The question was taken on the passage of the bill and the roll was called. There were 104 yeas and 15 nays as follows:

Those who voted in the affirmative were:

Battaglia	Findlay	Kostohryz	Osthoff	Segal
Beard	Forsythe	Krueger	Otis	Shaver
Begich	Graba	Larsen	Pauly	Shea
Bennett	Greenfield	Levi	Peterson	Sherman
Bergstrom	Gruenes	Long	Piper	Simoneau
Bishop	Gustafson	Mann	Price	Solberg
Blatz	Gutknecht	Marsh	Quinn	Sparby
Boo	Halberg	McDonald	Quist	Swanson
Brandl	Heap	Metzen	Redalen	Tomlinson
Brinkman	Heinitz	Minne	Reif	Tunheim
Burger	Himle	Munger	Rice	Uphus
Carlson, L.	Hoffman	Murphy	Riveness	Valento
Clark, J.	Hokr	Nelson, D.	Rodosovich	Vanasek
Clark, K.	Jacobs	Nelson, K.	Rodriguez, C.	Vellenga
Clawson	Jensen	Neuenschwander	Rodriguez, F.	Waltman
Coleman	Johnson	Norton	Rose	Welch
Dempsey	Kahn	O'Connor	St. Onge	Welle
Eken	Kalis	Ogren	Sarna	Wenzel
Elioff	Kelly	Olsen	Scheid	Wynia
Ellingson	Knickerbocker	Omamm	Schoenfeld	Speaker Sieben
Evans	Knuth	Onnen	Seaberg	

Those who voted in the negative were:

DenOuden	Fjoslien	Jennings	Piepho	Welker
Dimler	Frerichs	Kvam	Schafer	Wigley
Erickson	Haukoos	McEachern	Thiede	Zaffke

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

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

REPORTS OF STANDING COMMITTEES

Rice from the Committee on Appropriations to which was referred:

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.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 2.722, subdivision 1, is amended to read:

Subdivision 1. [DESCRIPTION.] (EFFECTIVE JULY 1, 1959.) The state is divided into ten judicial districts composed of the following named counties, respectively, in each of which dis-

tricts two or more judges shall be chosen as (HEREINAFTER SPECIFIED) follows:

1. Goodhue, Dakota, Carver, LeSueur, McLeod, Scott, and Sibley; (SEVEN) 20 judges; and four permanent chambers shall be maintained in Red Wing, Hastings, Shakopee, Gaylord, LeCenter, West St. Paul, Chaska, Burnsville, South St. Paul, and Glencoe and one other shall be maintained at the place designated by the chief judge of the district;

2. Ramsey; (13) 24 judges; and permanent chambers shall be maintained in New Brighton, Roseville, Maplewood, North St. Paul, White Bear Lake, and St. Paul;

3. Wabasha, Winona, Houston, Rice, Olmsted, Dodge, Steele, Waseca, Freeborn, Mower, and Fillmore; (SIX) 22 judges; and permanent chambers shall be maintained in Faribault, Albert Lea, Austin, Rochester, Wabasha, Caledonia, Mantorville, Preston, Owatonna, Waseca, and Winona;

4. Hennepin; (24) 41 judges; and permanent chambers shall be maintained in Minneapolis, and at other northern, southern, and western suburban locations throughout the county as a majority of the judges designate;

5. Blue Earth, Watonwan, Lyon, Redwood, Brown, Nicollet, Lincoln, Cottonwood, Murray, Nobles, Pipestone, Rock, Faribault, Martin, and Jackson; (FIVE) 21 judges; and permanent chambers shall be maintained in Marshall, Windom, Fairmont, New Ulm, St. Peter, St. James, Blue Earth, Jackson, Pipestone, Worthington, Slayton, Redwood Falls, and Mankato;

6. Carlton, St. Louis, Lake, and Cook; (SIX) 14 judges; and permanent chambers shall be maintained in Duluth, Virginia, Hibbing, Two Harbors, Grand Marais, and Carlton;

7. Benton, Douglas, Mille Lacs, Morrison, Otter Tail, Stearns, Todd, Clay, Becker, and Wadena; (FOUR) 19 judges; and permanent chambers shall be maintained in Moorhead, Fergus Falls, Little Falls, Foley, Alexandria, Milaca, Long Prairie, Detroit Lakes, Wadena, and St. Cloud;

8. Chippewa, Kandiyohi, Lac qui Parle, Meeker, Renville, Swift, Yellow Medicine, Big Stone, Grant, Pope, Stevens, Traverse, and Wilkin; (THREE) 13 judges; and permanent chambers shall be maintained in Morris, Montevideo, Litchfield, Olivia, Wheaton, Glenwood, Breckenridge, Benson, Granite Falls, and Willmar;

9. Norman, Polk, Marshall, Kittson, Red Lake, Roseau, Mahanomen, Pennington, Aitkin, Itasca, Crow Wing, Hubbard, Beltrami, Lake of the Woods, Clearwater, Cass and Koochich-

ing; (SIX) 20 judges; and permanent chambers shall be maintained in Crookston, Thief River Falls, Bemidji, Brainerd, Grand Rapids, Ada, Warren, Hallock, Red Lake Falls, Roseau, Mahanomen, Aitkin, Park Rapids, Baudette, Bagley, Walker, and International Falls;

10. Anoka, Isanti, Wright, Sherburne, Kanabec, Pine, Chisago, and Washington; (TEN) 23 judges; and permanent chambers shall be maintained in Anoka, Stillwater, Buffalo, Elk River, Mora, Cambridge, Center City, Pine City, and other places designated by the chief judge of the district.

All permanent chambers designated in this section are subject to section 480.22.

Sec. 2. Minnesota Statutes 1983 Supplement, section 260.031, subdivision 1, is amended to read:

Subdivision 1. [APPOINTMENT.] The chief judge of the judicial district may appoint one or more suitable persons to act as referees. All referees are subject to the administrative authority and assignment power of the chief judge of the district as provided in (SECTION) sections 484.69, subdivision 3, and 484.70. *Referees appointed under this section are not limited to assignment to juvenile court.* Referees shall hold office at the pleasure of the judges of the district court and shall be learned in the law, except that persons holding the office of referee on January 1, 1983, may continue to serve under the terms and conditions of their appointment. The compensation of a referee shall be fixed by the judge, approved by the county board and payable from the general revenue funds of the county not otherwise appropriated. Part time referees holding office in the second judicial district pursuant to this subdivision shall cease to hold office on July 31, 1984.

Sec. 3. Minnesota Statutes 1982, section 484.01, is amended to read:

484.01 [JURISDICTION.]

There shall be one trial court, which shall be the district court.

The district (COURTS SHALL HAVE) court has original jurisdiction in all civil actions within (THEIR RESPECTIVE DISTRICTS) *its judicial district*, in all cases of crime committed or triable (THEREIN) *in the district*, in all juvenile proceedings, in all probate proceedings, including the administration of estates of deceased persons and trust estates and guardianship and incompetency proceedings, in all special proceedings not exclusively cognizable by some other court or tribunal, and in all other cases (WHEREIN SUCH) *in which the jurisdiction is especially conferred upon (THEM) it by law.* (THEY) *It shall*

also have appellate jurisdiction in every case in which an appeal (THERETO) to it is allowed by law from any other court, officer, or body.

Sec. 4. Minnesota Statutes 1982, section 484.545, subdivision 1, is amended to read:

Subdivision 1. The district judges regularly assigned to hold court in each judicial district except for the second, fourth, and tenth judicial districts may by orders filed with the clerk of court and county auditor of each county in the district appoint a competent law clerk for every two district court judges (OF) in the judicial district *as of June 30, 1985*. The district judges regularly assigned to hold court in the tenth judicial district may by orders filed with the clerk of court and county auditor of each county in the district appoint a competent law clerk for each district court judge (OF) in the district *as of June 30, 1985*. In addition, the Dakota county board of commissioners may authorize the district judges regularly assigned to hold court in the first judicial district to appoint three competent law clerks, whose salaries shall be paid by the county. *No new law clerk positions may be created in any district after June 30, 1985, but any vacancies in those positions which existed as of June 30, 1985, may be filled. The district court administrator in each district shall make assignments of all law clerks in that district.*

The judicial advisory service shall continue to be available to all trial court judges to assist them with research, information about current legal developments, library services, and legal forms.

Sec. 5. Minnesota Statutes 1982, section 484.64, subdivision 3, is amended to read:

Subd. 3. The board of county commissioners of Ramsey county shall provide suitable chambers and courtroom space, clerks, reporters, bailiffs, and one or more referees and other personnel to assist said judge, together with necessary library, supplies, stationery and other expenses necessary thereto. *All referees are subject to section 484.70.*

Sec. 6. Minnesota Statutes 1982, section 484.65, subdivision 7, is amended to read:

Subd. 7. The district court judge, family court division, may, with the consent and approval of the judges of the district court of the fourth judicial district, appoint one or more suitable persons to act as referees. Such referees shall be learned in the law and shall hold office at the pleasure of the judges of the district court. The compensation of a referee shall be fixed by the personnel board of Hennepin county and appropriated by the county

board and shall be paid in the same manner as other county employees are paid. *All referees are subject to section 484.70.*

Sec. 7. Minnesota Statutes 1982, section 484.69, subdivision 1, is amended to read:

Subdivision 1. [ELECTION; TERM; REMOVAL.] (BY JULY 1, 1977, THE JUDGES OF THE DISTRICT, COUNTY, COUNTY MUNICIPAL AND PROBATE COURTS RESIDENT IN EACH OF THE JUDICIAL DISTRICTS SHALL MEET AND ELECT FROM AMONG THEIR NUMBER A SINGLE CHIEF JUDGE AND AN ASSISTANT CHIEF JUDGE) *The chief justice shall appoint the chief judge and assistant chief judge in each of the judicial districts from a list of three names for each position submitted by the judges of the district. The chief judge and the assistant chief judge shall serve a term of (TWO) three years beginning July 1 of the year in which they are elected. No judge may serve as chief judge or assistant chief judge for more than two consecutive (TWO) three-year terms.*

The seniority of judges and rotation of the position of chief judge or assistant chief judge shall not be criteria for the (ELECTION) *appointment* of the chief judge or the assistant chief judge.

A chief judge or assistant chief judge may be removed for cause as chief judge or assistant chief judge by the chief justice of the supreme court (, OR BY A MAJORITY OF THE JUDGES OF THE JUDICIAL DISTRICT).

Sec. 8. Minnesota Statutes 1982, section 484.69, subdivision 3, is amended to read:

Subd. 3. [ADMINISTRATIVE AUTHORITY.] In each judicial district, the chief judge, subject to the authority of the chief justice, shall exercise general administrative authority over the courts within the judicial district. The chief judge shall make assignments of judges to serve on the (COURTS) *court* within the judicial district, and assignments may be made without the consent of the judges affected (, THE CHIEF JUDGE MAY ASSIGN ANY JUDGE OF ANY COURT WITHIN THE JUDICIAL DISTRICT TO HEAR ANY MATTER IN ANY COURT OF THE JUDICIAL DISTRICT. WHEN A JUDGE OF A COURT IS ASSIGNED TO ANOTHER COURT HE IS VESTED WITH THE POWERS OF A JUDGE OF THE COURT TO WHICH HE IS ASSIGNED); *except that no judge who was serving in the district, probate, county, or municipal court prior to August 1, 1977, shall be required to hear any matter which a judge of those respective courts would not have been required to hear prior to August 1, 1977. A judge may refuse an assignment on the basis that it conflicts with a plan of*

management adopted by a judicial district pursuant to a judicial reorganization under section 487.191, or a reorganization plan adopted pursuant to section 13 of this act. A judge aggrieved by an assignment or by being continued in an assignment for an unreasonable period of time may, within five days of receiving notice of the assignment or notice of refusal of request for transfer to a different assignment, appeal to the chief justice. A judge may not be assigned to hear matters outside his judicial district pursuant to this subdivision.

Sec. 9. Minnesota Statutes 1983 Supplement, section 484.70, subdivision 1, is amended to read:

Subdivision 1. [APPOINTMENT.] The chief judge of the judicial district may appoint one or more suitable persons to act as referees. Referees shall hold office at the pleasure of the judges of the district court and shall be learned in the law, except that persons holding the office of referee on January 1, 1983, may continue to serve under the terms and conditions of their appointment. All referees are subject to the administrative authority and assignment power of the chief judge of the district as provided in section 484.69, subdivision 3, and are not limited to assignment to family, probate, juvenile or special term court. Part time referees holding office in the second judicial district pursuant to this subdivision shall cease to hold office on July 31, 1984. *No new district court referee positions may be created after June 30, 1985, but any vacancies in referee positions which existed as of June 30, 1985, may be filled.*

Sec. 10. Minnesota Statutes 1982, section 486.05, subdivision 1, is amended to read:

Subdivision 1. In all judicial districts, a salary range for court reporters shall be established annually by the judicial district administrator with the approval of a majority of judges of the district. The salary for each court reporter shall be set within that range annually by the district administrator after consultation with the chief judge. Nothing herein shall change the manner by which court reporters are paid, the proportions among the various counties of a judicial district by which the funds are allocated or any statutory provisions related to court reporter compensation other than the manner of setting salary. Each county shall be required by order to pay a specified amount thereof in monthly installments, which shall be such proportion of the whole salary as the population in each county bears to the total population in the district as set forth in the most recent federal census. It is provided, however, that in the event a judge is temporarily transferred to hold court in some county other than in his judicial district then, and in that event, the said county shall pay that part of the monthly salary of the judge's reporter as that part of the month worked by said reporter in said county. **(EACH REPORTER SHALL HAVE AND MAINTAIN HIS RESIDENCE IN THE DISTRICT IN**

WHICH HE IS APPOINTED.) The reporter, in addition to his salary, shall be paid such sums as he shall accrue as necessary mileage, traveling, and hotel expenses *in the discharge of his official duties* while absent from the (CITY IN) *permanent chambers location to which (HE RESIDES IN THE DISCHARGE OF HIS OFFICIAL DUTIES) the judge he serves is assigned*, such expenses to be paid by the county for which the same were incurred upon presentation of a verified itemized statement thereof approved by the judge; and the auditor of such county, upon presentation of such approved statement, shall issue his warrant in payment thereof.

All laws now in force relating to the salary of district court reporters inconsistent herewith relating to any and all counties are hereby repealed and superseded, except the manner of setting salary as hereinbefore set forth shall not apply to the second and fourth judicial districts.

Sec. 11. [487.001] [COUNTY AND PROBATE COURT ABOLISHED.]

The probate court, which is also the county court, is abolished. The jurisdiction of the county and probate court is transferred to the district court. The judges of the county and probate court who are learned in the law are judges of the district court in which the county and probate court on which they served was located and shall continue to serve the term to which they were appointed or last elected. The county court judge not learned in the law serving on June 30, 1985, is an associate judge of the district court in the judicial district in which the county court where he served was located and shall continue to serve the term to which he was last elected. The associate judge shall be subject to section 487.04. Upon completion of the term to which they were serving on July 1, 1985, all judges shall be eligible for reelection as incumbent judges of the district court in the judicial district in which the county and probate court on which they served was located. The cases pending, the records, and the individuals employed by or serving in the county and probate courts on July 1, 1985, shall be transferred to the district court in the judicial district in which the county and probate court was located. No new courtroom bailiff or clerk positions may be created after June 30, 1985, but any vacancies in those positions which existed as of June 30, 1985, may be filled.

Sec. 12. [488A.001] [MUNICIPAL AND CONCILIATION COURTS MERGER WITH DISTRICT COURT.]

The municipal and conciliation courts of Ramsey and Hennepin counties are merged with the district courts in the second and fourth judicial districts respectively. The judges of the municipal courts of Ramsey and Hennepin counties are district judges of the second and fourth judicial districts respectively and shall continue to serve the term to which they were appointed or last

elected. Upon completion of the term which they were serving on July 1, 1985, they shall be eligible for reelection as incumbent judges of the district court of the second and fourth judicial districts respectively. The cases pending, the records, and the individuals employed by or serving in the municipal and conciliation courts of Ramsey and Hennepin counties on July 1, 1985, are transferred to the district courts in the second and fourth judicial districts respectively. No new courtroom bailiff or clerk positions may be created after June 30, 1985, but any vacancies in those positions which existed as of June 30, 1985, may be filled.

Sec. 13. [REORGANIZATION PLAN.]

The judges in each judicial district, in consultation with the district administrator, shall prepare a reorganization plan establishing an administrative structure to implement the unified trial court.

The reorganization plan required by this section shall set forth the criteria to be considered in the assignment of judges to particular cases or categories of cases.

The plan shall be filed with the state court administrator by July 1, 1985. The state court administrator shall establish a reorganization plan for any judicial district that does not file their plan by the required date. Organization plans filed with the secretary of state pursuant to Minnesota Statutes, section 487.191, may be filed with the state court administrator to meet this requirement.

Sec. 14. [INSTRUCTIONS TO STATE COURT ADMINISTRATOR.]

On or before January 1, 1985, the state court administrator shall present to the chairmen of the committees on the judiciary in the house and senate a report of the statutes in effect prior to the effective date of sections 1 to 12 and 15 which concern the jurisdiction, administration, procedure, judges, and personnel of the district, probate, county, and municipal courts and which require amendment in order to implement the purposes of sections 1 to 12 and 15. The state court administrator shall consult with the revisor of statutes in the preparation of this report which shall be in the form of a bill draft.

Sec. 15. [REPEALER.]

Minnesota Statutes 1982, section 487.191, is repealed.

Sec. 16. [EFFECTIVE DATE.]

Sections 1 to 12 and 15 are effective July 1, 1985. Sections 13 and 14 are effective the day following final enactment."

Delete the title and insert:

"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 the additional referee, law clerk, courtroom bailiff, and courtroom deputy clerk positions; requiring each judicial district to prepare a reorganization plan; amending Minnesota Statutes 1982, sections 2.722, subdivision 1; 484.01; 484.545, subdivision 1; 484.64, subdivision 3; 484.65, subdivision 7; 484.69, subdivisions 1 and 3; and 486.05, subdivision 1; Minnesota Statutes 1983 Supplement, sections 260.031, subdivision 1; and 484.70, subdivision 1; proposing new law coded in Minnesota Statutes, chapters 487 and 488A; repealing Minnesota Statutes 1982, section 487.191."

With the recommendation that when so amended the bill pass.

The report was adopted.

Pursuant to rule 1.16 S. F. No. 1843 was re-referred to the Committee on Rules and Legislative Administration.

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendment to:

S. F. No. 147, A bill for an act relating to retirement; employee and employer contributions to the Minnesota state retirement system; amending Minnesota Statutes 1982, section 352.92, subdivisions 1 and 2.

And the Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee Messrs. Peterson, C. C.; Moe, D. M.; Peterson, R. W.; Renneke and Spear.

Said Senate File is herewith transmitted to the House with the request that the House appoint a like committee.

PATRICK E. FLAHAVEN, Secretary of the Senate

Sarna moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 5 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two houses on S. F. No. 147. The motion prevailed.

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendment 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.

And the Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee Ms. Berglin, Mrs. Lantry and Mr. Benson.

Said Senate file is herewith transmitted to the House with the request that the House appoint a like committee.

PATRICK E. FLAHAVEN, Secretary of the Senate

Brandl moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 3 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two houses on S. F. No. 311. The motion prevailed.

Mr. Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 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 Senate has appointed as such committee Messrs. Chmielewski, Knutson and Lessard.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

S. F. Nos. 1007, 1469, 1560, 1668 and 1826.

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. 1572.

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. 1337.

PATRICK E. FLAHAVEN, Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 1007, A bill for an act relating to courts; permitting the establishment of compulsory nonbinding arbitration programs for use in civil proceedings; proposing new law coded in Minnesota Statutes, chapter 484.

The bill was read for the first time.

Ellingson moved that S. F. No. 1007 and H. F. No. 899, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1469, A bill for an act relating to workers' compensation; providing coverage for certain employees of the University of Minnesota and for ambulance drivers and attendants; amending Minnesota Statutes 1983 Supplement, section 176.011, subdivision 9.

The bill was read for the first time.

Boo moved that S. F. No. 1469 and H. F. No. 1679, now on Special Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1560, 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.

The bill was read for the first time.

Clark, J., moved that S. F. No. 1560 and H. F. No. 1284, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1668, 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.

Vellenga moved that S. F. No. 1668 and H. F. No. 2041, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1826, A bill for an act relating to state government; specifying authority of the governor; 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.

Peterson moved that S. F. No. 1826 and H. F. No. 1709, now on Special Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1572, A bill for an act relating to court proceedings; adopting provisions of the uniform probate code and clarifying laws relating to intestate succession, spouse's elective share, and omitted spouses and children; providing for ante-mortem probate of wills; proposing new law coded in Minnesota Statutes, chapters 524; and 525; repealing Minnesota Statutes 1982, sections 525.16; 525.17; 525.171; 525.20; 525.201; 525.202; 525.212 to 525.216; Minnesota Statutes 1983 Supplement, sections 525-172; and 525.173.

The bill was read for the first time.

Norton moved that S. F. No. 1572 and H. F. No. 2248, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1337, 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.

Otis moved that S. F. No. 1337 and H. F. No. 2078, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

SPECIAL ORDERS, Continued

S. F. No. 1853 which was temporarily laid over earlier today was again reported to the House.

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 third 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.	Brandl	DenOuden	Graba	Hoffman
Anderson, G.	Brinkman	Dimler	Greenfield	Hokr
Battaglia	Burger	Eken	Gruenes	Jacobs
Beard	Carlson, D.	Elioff	Gustafson	Jennings
Begich	Carlson, L.	Erickson	Gutknecht	Jensen
Bennett	Clark, J.	Evans	Halberg	Johnson
Bergstrom	Clawson	Findlay	Haukoos	Kahn
Bishop	Cohen	Fjoslien	Heap	Kalis
Blatz	Coleman	Forsythe	Heinitz	Kelly
Boo	Dempsey	Frerichs	Himle	Knickerbocker

Knuth	Murphy	Price	Schoenfeld	Valento
Kostohryz	Nelson, D.	Quinn	Schreiber	Vanasek
Krueger	Nelson, K.	Quist	Seaberg	Vellenga
Kvam	Neuenschwander	Redalen	Segal	Waltman
Larsen	O'Connor	Reif	Shaver	Welch
Levi	Ogren	Rice	Shea	Weiker
Long	Olsen	Riveness	Sherman	Welle
Mann	Omann	Rodosovich	Simoneau	Wenzel
Marsh	Onnen	Rodriguez, C.	Solberg	Wigley
McDonald	Osthoff	Rodriguez, F.	Sparby	Wynia
McEachern	Otis	Rose	Swanson	Zaffke
McKasy	Pauly	St. Onge	Thiede	Speaker Sieben
Metzen	Peterson	Sarna	Tunheim	
Minne	Piepho	Schafer	Uphus	
Munger	Piper	Scheid	Valan	

Those who voted in the negative were:

Sviggum

The bill was passed and its title agreed to.

MOTIONS AND RESOLUTIONS

Rodosovich moved that his name be stricken as an author on H. F. No. 1991. The motion prevailed.

Shea moved that H. F. No. 1929 be returned to its author. The motion prevailed.

Neuenschwander moved that H. F. No. 2019 be returned to its author. The motion prevailed.

ANNOUNCEMENTS BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 147:

Sarna; Clawson; Rodriguez, F.; Wigley and Metzen.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 311:

Brandl, Greenfield and Onnen.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1466:

Clawson, Halberg and Cohen.

SPECIAL ORDERS

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

GENERAL ORDERS

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

ADJOURNMENT

Eken moved that when the House adjourns today it adjourn until 11:00 a.m., Wednesday, April 18, 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., Wednesday, April 18, 1984.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

RESOLUTION

Resolved, That the sum of \$100,000 be and is hereby appropriated for the purpose of...

SECTION 1

There shall be appropriated out of the general fund of the State the sum of \$100,000...

SECTION 2

The sum of \$100,000 shall be distributed as follows: \$50,000 to the Department of...

SECTION 3

This appropriation shall be available for the fiscal year ending June 30, 1968...

SECTION 4

The Governor is authorized to execute this appropriation in accordance with the provisions...

SECTION 5

This act shall take effect on the date of its passage...

SECTION 6

The sum of \$100,000 shall be available for the purpose of...

SECTION 7

The sum of \$100,000 shall be available for the purpose of...

SECTION 8

The sum of \$100,000 shall be available for the purpose of...

SECTION 9

STATE OF MINNESOTA

SEVENTY-THIRD SESSION - 1984

EIGHTY-FIRST DAY

SAINT PAUL, MINNESOTA, WEDNESDAY, APRIL 18, 1984

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

Prayer was offered by Pastor Tomas E. Meeks, House Chaplain, Ramsey, 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. Clawson 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. 1775, 158, 2060, 2098, 467, 229, 994, 1561, 1903, 1991, 1203, 1386 and 2182 and S. F. Nos. 120, 1978, 1408, 1451, 1492, 1007, 1668, 1469, 1560, 1826, 1572, 1337, 1843, 1561 and 1842 have been placed in the members' files.

S. F. No. 1668 and H. F. No. 2041, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Vellenga moved that S. F. No. 1668 be substituted for H. F. No. 2041 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1469 and H. F. No. 1679, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Boo moved that the rules be so far suspended that S. F. No. 1469 be substituted for H. F. No. 1679 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 120 and H. F. No. 63, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Gruenes moved that the rules be so far suspended that S. F. No. 120 be substituted for H. F. No. 63 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1976 and H. F. No. 1501, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Jacobs moved that the rules be so far suspended that S. F. No. 1976 be substituted for H. F. No. 1501 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1451 and H. F. No. 1601, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Anderson, B., moved that the rules be so far suspended that S. F. No. 1451 be substituted for H. F. No. 1601 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1492 and H. F. No. 1554, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Brandl moved that the rules be so far suspended that S. F. No. 1492 be substituted for H. F. No. 1554 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1408 and H. F. No. 1757, 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. 1408 be substituted for H. F. No. 1757 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1337 and H. F. No. 2078, 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. 1337 be substituted for H. F. No. 2078 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1561 and H. F. No. 1285, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Bishop moved that the rules be so far suspended that S. F. No. 1561 be substituted for H. F. No. 1285 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1842 and H. F. No. 1828, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Vanasek moved that the rules be so far suspended that S. F. No. 1842 be substituted for H. F. No. 1828 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1560 and H. F. No. 1284, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Bishop moved that S. F. No. 1560 be substituted for H. F. No. 1284 and that the House File be indefinitely postponed. The motion prevailed.

PETITIONS AND COMMUNICATIONS

The following communications were received:

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

April 16, 1984

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

The Honorable Jerome M. Hughes
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1984 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

<i>S.F. No.</i>	<i>H.F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Date Approved 1984</i>	<i>Date Filed 1984</i>
1350		379	April 11	April 11
1127		380	April 11	April 11
1832		381	April 14	April 16

Sincerely,

JOAN ANDERSON GROWE
Secretary of State

81st Day]

WEDNESDAY, APRIL 18, 1984

8719

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

April 16, 1984

The Honorable Harry A. Sieben, Jr.
Speaker of the House
276 State Office Building
St. Paul, Minnesota 55155

Dear Speaker Sieben:

I have the honor to inform you that I received, approved, signed and deposited in the Office of the Secretary of State the following House File:

H. F. No. 1944, relating to financial institutions; qualifying obligations of the African Development Bank for public and private investment.

Sincerely,

RUDY PERPICH
Governor

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

April 16, 1984

The Honorable Harry A. Sieben, Jr.
Speaker of the House
276 State Office Building
St. Paul, Minnesota 55155

Dear Speaker Sieben:

I have the honor to inform you that I received, approved, signed and deposited in the Office of the Secretary of State the following House File:

H. F. No. 1784, relating to the state board of investment; establishing combined investment funds.

Sincerely,

RUDY PERPICH
Governor

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

April 16, 1984

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

The Honorable Jerome M. Hughes
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1984 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

<i>S.F. No.</i>	<i>H.F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Date Approved 1984</i>	<i>Date Filed 1984</i>
	1944	382	April 16	April 16
	1784	383	April 16	April 16

Sincerely,

JOAN ANDERSON GROWE
Secretary of State

REPORTS OF STANDING COMMITTEES

Eken from the Committee on Rules and Legislative Administration 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.

The report was adopted.

Eken from the Committee on Rules and Legislative Administration 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 pub-

lic lands of the state to be exchanged for any other public land; amending Minnesota Statutes 1982, sections 94.343, subdivision 1; and 94.349, subdivision 3.

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

The report was adopted.

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

H. F. No. 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.

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

The report was adopted.

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

H. F. No. 2312, A resolution memorializing the United States Congress to allow greater flexibility in the use of federal funds for veterans care facilities and programs.

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

The report was adopted.

SECOND READING OF HOUSE BILLS

H. F. Nos. 1291, 1559, 2289 and 2312 were read for the second time.

SECOND READING OF SENATE BILLS

S. F. Nos. 1668, 1469, 120, 1976, 1451, 1492, 1408, 1337, 1561, 1842 and 1560 were read for the second time.

INTRODUCTION AND FIRST READING
OF HOUSE BILLS

The following House Files were introduced:

Wenzel, St. Onge, McEachern, Krueger and Graba introduced:

H. F. No. 2332, A bill for an act proposing an amendment to the Minnesota Constitution, article I, by adding a section; providing for equality of rights under the law for men and women.

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

Clark, K., introduced:

H. F. No. 2333, A bill for an act relating to occupational safety and health; regulating the use of video display terminals; amending Minnesota Statutes 1982, sections 182.651, by adding subdivisions; 182.653, by adding subdivisions; and 182.655, by adding a subdivision.

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

Sviggum, Brandl and Onnen introduced:

H. F. No. 2334, A bill for an act relating to public welfare; revising the requirements for procedures for determining the rates for care of residents of intermediate care facilities for the mentally retarded; amending Minnesota Statutes 1983 Supplement, section 256B.501, subdivision 3.

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

Nelson, K., introduced:

H. F. No. 2335, A bill for an act relating to state departments and agencies; authorizing the board of barber examiners to assume the duties of the director of the office of consumer services in overseeing the practice of cosmetology.

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

Brandl introduced:

H. F. No. 2336, A bill for an act relating to firefighters; establishing the firefighters standards board; providing for training of firefighters; appropriating money; proposing new law coded in Minnesota Statutes, chapter 299F.

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

Brandl introduced:

H. F. No. 2337, A bill for an act relating to marriage dissolution; providing for marital property division; prohibiting assignment of pension benefits or rights acquired upon dissolution or annulment; amending Minnesota Statutes 1982, section 518.58.

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

Metzen introduced:

H. F. No. 2338, 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.

HOUSE ADVISORIES

The following House Advisory was introduced:

Levi introduced:

H. A. No. 64, A proposal to study and recommend licensing revisions for van converters and manufacturer dealers.

The advisory was referred to the Committee on Transportation.

Segal was excused while in conference.

The following conference committee report was received:

CONFERENCE COMMITTEE REPORT ON 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.

April 17, 1984

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

The Honorable Jerome M. Hughes
President of the Senate

We, the undersigned conferees for H. F. No. 1405, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment and that H. F. No. 1405 be further amended as follows:

Page 1, line 12, delete "*momento*" and insert "*memento*"

Page 1, line 14, delete everything before "*in*"

Page 1, line 16, delete "RELOCATION" and insert "LOCATION"

Page 1, line 17, delete everything before "*the*"

Page 1, line 18, delete everything after "*be*"

Page 1, delete line 19 and insert "*permanently located within the Capitol grounds in a place of visual prominence and honor.*"

We request adoption of this report and repassage of the bill.

House Conferees: KATHLEEN BLATZ, JOE QUINN and DANIEL J. KNUTH.

Senate Conferees: WILLIAM V. BELANGER, JR., GENE MERRIAM and DONALD M. MOE.

Blatz moved that the report of the Conference Committee on H. F. No. 1405 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

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, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 108 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Eken	Kelly	Onnen	Skoglund
Anderson, G.	Elioff	Knickerbocker	Pauly	Solberg
Anderson, R.	Erickson	Knuth	Peterson	Sparby
Battaglia	Evans	Krueger	Piepho	Swiggum
Begich	Findlay	Kvam	Piper	Swanson
Bennett	Fjoslien	Larsen	Price	Thiede
Bishop	Forsythe	Levi	Quist	Tomlinson
Blatz	Greenfield	Long	Redalen	Uphus
Boo	Gruenes	Ludeman	Rice	Valan
Brandl	Gustafson	Mann	Riveness	Valento
Brinkman	Gutknecht	Marsh	Rodosovich	Vanasek
Burger	Halberg	McDonald	Rodriguez, C.	Vellenga
Carlson, D.	Haukoos	McEachern	Rose	Waltman
Carlson, L.	Heap	McKasy	St. Onge	Welch
Clark, J.	Heinitz	Metzen	Sarna	Welker
Clark, K.	Hoffman	Munger	Schafer	Welle
Clawson	Hokr	Murphy	Scheid	Wenzel
Cohen	Jacobs	Nelson, K.	Schreiber	Wynia
Coleman	Jennings	O'Connor	Seaberg	Zaffke
Dempsey	Johnson	Ogren	Shaver	Speaker Sieben
DenOuden	Kahn	Olsen	Sherman	
Dimler	Kalis	Omam	Simoneau	

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

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

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

H. F. No. 1839, A bill for an act relating to St. Louis County; permitting the county to establish an emergency jobs program.

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. 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.

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. 2148, A bill for an act relating to insurance; authorizing the use of smoker and nonsmoker mortality tables; coordinating payments by primary and secondary health insurers; proposing new law coded in Minnesota Statutes, chapters 61A and 62A.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

H. F. No. 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.

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.

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. 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.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

H. F. No. 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.

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.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

H. F. No. 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.

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.

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.

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. 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; proposing new law coded in Minnesota Statutes, chapter 299C.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Bishop moved that the House concur in the Senate amendments to H. F. No. 1428 and that the bill be repassed as amended by the Senate. The motion prevailed.

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; proposing new law coded in Minnesota Statutes, chapter 299C.

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

The question was taken on the repassage of the bill and the roll was called. There were 118 yeas and 2 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Thiede Welker

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

Mr. Speaker:

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

which amendment the concurrence of the House is respectfully requested:

H. F. No. 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.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Tomlinson moved that the House concur in the Senate amendments to H. F. No. 1528 and that the bill be repassed as amended by the Senate. The motion prevailed.

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, inheritance tax and property tax refund provisions; making child support withholding permanent; providing for withholding of attorneys fees and costs; amending Minnesota Statutes 1982, sections 10A.31, subdivision 1; 62E.11, subdivision 8; 171.31; 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; 290.50, subdivision 6; 290.56, subdivisions 4 and 5; 290.61; 290.931, subdivision 1; 290A.07, subdivision 2a; 600.21; Minnesota Statutes 1983 Supplement, sections 176.186; 290.01, subdivisions 20, 20a, 20b, and 20f; 290.032, subdivision 2; 290.06, subdivisions 2c, 3d, 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; Laws 1980, chapter 439, section 36; Laws 1982, chapter 523, article 4, section 2; 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, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 120 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

There being no objection the order of business reverted to Reports of Chief Clerk.

REPORTS OF CHIEF CLERK

S. F. No. 1572 and H. F. No. 2248, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Norton moved that the rules be so far suspended that S. F. No. 1572 be substituted for H. F. No. 2248 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1826 and H. F. No. 1709, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Peterson moved that the rules be so far suspended that S. F. No. 1826 be substituted for H. F. No. 1709 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1007 and H. F. No. 899, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Greenfield moved that the rules be so far suspended that S. F. No. 1007 be substituted for H. F. No. 899 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1978 and H. F. No. 2063, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Anderson, G., moved that the rules be so far suspended that S. F. No. 1978 be substituted for H. F. No. 2063 and that the House File be indefinitely postponed. The motion prevailed.

SECOND READING OF SENATE BILLS

S. F. Nos. 1572, 1826, 1007 and 1978 were read for the second time.

There being no objection the order of business reverted to Messages from the Senate.

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

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

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

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Anderson, R., moved that the House concur in the Senate amendments to H. F. No. 1456 and that the bill be repassed as amended by the Senate. The motion prevailed.

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

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

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

Those who voted in the affirmative were:

Anderson, B.	Coleman	Hokr	McEachern	Price
Anderson, C.	Dempsey	Jacobs	McKasy	Quinn
Anderson, R.	Dimler	Jennings	Metzen	Quist
Battaglia	Eken	Jensen	Minne	Redalen
Beard	Elioff	Johnson	Munger	Reif
Begich	Erickson	Kahn	Murphy	Rice
Bennett	Evans	Kalis	Nelson, D.	Riveness
Bergstrom	Findlay	Kelly	Neuenschwander	Rodosovich
Bishop	Fjoslien	Knickerbocker	Norton	Rodriguez, C.
Blatz	Forsythe	Knuth	O'Connor	Rodriguez, F.
Boo	Greenfield	Kostohryz	Ogren	Rose
Brandl	Gruenes	Krueger	Olsen	St. Onge
Brinkman	Gustafson	Kvam	Omann	Sarna
Burger	Gutknecht	Larsen	Onnen	Schafer
Carlson, D.	Halberg	Levi	Osthoff	Scheid
Carlson, L.	Haukoos	Long	Otis	Schoenfeld
Clark, J.	Heap	Ludeman	Pauly	Schreiber
Clark, K.	Heinitz	Mann	Peterson	Seaberg
Clawson	Himle	Marsh	Piepho	Segal
Cohen	Hoffman	McDonald	Piper	Shaver

Shea	Sparby	Tunheim	Vellenga	Wenzel
Sherman	Staten	Uphus	Waltman	Wigley
Simoneau	Sviggum	Valan	Welch	Wynia
Skoglund	Swanson	Valento	Welker	Zaffke
Solberg	Tomlinson	Vanasek	Welle	Speaker Sieben

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

Anderson, R., was excused while in conference.

Mr. Speaker:

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

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

PATRICK E. FLAHAVER, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Peterson moved that the House concur in the Senate amendments to H. F. No. 1522 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1522, A bill for an act relating to tax-forfeited land; permitting the sale of certain tax-forfeited land in Mille Lacs County; modifying certain limitations on the sale of tax-forfeited land which borders on or is adjacent to certain waters; amending Minnesota Statutes 1982, section 282.018.

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

The question was taken on the repassage of the bill and the roll was called. There were 123 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Brandl	Dempsey	Greenfield	Hokr
Anderson, G.	Brinkman	Dimler	Gruenes	Jacobs
Battaglia	Burger	Eken	Gustafson	Jennings
Beard	Carlson, D.	Elioff	Gutknecht	Jensen
Begich	Carlson, L.	Erickson	Halberg	Johnson
Bennett	Clark, J.	Evans	Haukoos	Kahn
Bergstrom	Clark, K.	Findlay	Heap	Kalis
Bishop	Clawson	Fjoslien	Heinitz	Kelly
Blatz	Cohen	Forsythe	Himle	Knickerbocker
Boo	Coleman	Graba	Hoffman	Knuth

Kostohryz	Murphy	Quinn	Schreiber	Valan
Krueger	Nelson, D.	Quist	Seaberg	Valento
Kvam	Neuenschwander	Redalen	Segal	Vanasek
Larsen	Norton	Reif	Shaver	Vellenga
Levi	O'Connor	Rice	Shea	Waltman
Long	Ogren	Riveness	Sherman	Welch
Ludeman	Olsen	Rodosovich	Simoneau	Welker
Mann	Omann	Rodriguez, C.	Skoglund	Welle
Marsh	Onnen	Rodriguez, F.	Solberg	Wenzel
McDonald	Osthoff	Rose	Sparby	Wigley
McEachern	Otis	St. Onge	Staten	Wynia
McKasy	Pauly	Sarna	Svigum	Zaffke
Metzen	Peterson	Schafer	Thiede	Speaker Sieben
Minne	Piepho	Scheid	Tomlinson	
Munger	Piper	Schoenfeld	Tunheim	

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. 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.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Cohen moved that the House concur in the Senate amendments to H. F. No. 1156 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1156, A bill for an act relating to Minnesota Statutes; recodifying the laws governing the office of the revisor of statutes and the publication of Minnesota Statutes; providing for the replacement of gender-specific references with neutral or equal references to gender; imposing duties on the revisor of statutes; setting goals; providing for the accomplishment of goals within existing resources; 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, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 122 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Sarna moved that the House concur in the Senate amendments to H. F. No. 1770 and that the bill be repassed as amended by the Senate. The motion prevailed.

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 and the library board; amending Laws 1974, chapters 181, section 1, as amended; and 182, section 1.

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

The question was taken on the repassage of the bill and the roll was called. There were 113 yeas and 10 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Evans	Krueger	Peterson	Simoneau
Anderson, G.	Findlay	Kvam	Piepho	Skoglund
Battaglia	Forsythe	Levi	Piper	Solberg
Beard	Graba	Long	Price	Sparby
Begich	Greenfield	Mann	Quinn	Staten
Bennett	Gruenes	McEachern	Quist	Thiede
Bergstrom	Gustafson	McKasy	Redalen	Tomlinson
Bishop	Gutknecht	Metzen	Reif	Tunheim
Blatz	Halberg	Minne	Rice	Uphus
Boo	Heap	Munger	Riveness	Valan
Brandl	Heinitz	Murphy	Rodosovich	Valento
Brinkman	Himle	Nelson, D.	Rodriguez, C.	Vanasek
Burger	Hoffman	Nelson, K.	Rodriguez, F.	Vellenga
Carlson, D.	Hokr	Neuenschwander	Rose	Waltman
Carlson, L.	Jacobs	Norton	St. Onge	Welch
Clark, J.	Jensen	O'Connor	Sarna	Welle
Clark, K.	Johnson	Ogren	Scheid	Wenzel
Clawson	Kahn	Olsen	Schoenfeld	Wigley
Cohen	Kalis	Omann	Seaberg	Wynia
Coleman	Kelly	Onnen	Segal	Zaffke
Dempsey	Knickerbocker	Osthoff	Shaver	Speaker Sieben
Eken	Knuth	Otis	Shea	
Elioff	Kostohryz	Pauly	Sherman	

Those who voted in the negative were:

DenOuden	Erickson	Haukoos	McDonald	Sviggum
Dimler	Fjoslien	Ludeman	Schafer	Welker

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

Mr. Speaker:

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

H. F. No. 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.

PATRICK E. FLAHAVER, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Munger moved that the House concur in the Senate amendments to H. F. No. 1999 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1999, A bill for an act relating to the city of Duluth; authorizing the expansion of the energy conservation program to include multifamily homes; amending Laws 1981, chapter 223, section 2; and 6, subdivisions 2 and 3.

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

The question was taken on the repassage of the bill and the roll was called. There were 106 yeas and 16 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Findlay	Knuth	Otis	Simoneau
Anderson, G.	Fjoslien	Kostohryz	Pauly	Skoglund
Battaglia	Forsythe	Krueger	Piepho	Solberg
Beard	Graba	Larsen	Piper	Sparby
Begich	Greenfield	Levi	Price	Staten
Bennett	Gruenes	Long	Quinn	Tomlinson
Bergstrom	Gustafson	Mann	Redalen	Tunheim
Bishop	Gutknecht	McEachern	Reif	Uphus
Blatz	Halberg	McKasy	Rice	Valan
Brandl	Haukoos	Metzen	Riveness	Vanasek
Brinkman	Heap	Minne	Rodosovich	Vellenga
Burger	Heinitz	Munger	Rodriguez, C.	Waltman
Carlson, D.	Himle	Murphy	Rodriguez, F.	Welch
Clark, J.	Hoffman	Nelson, D.	Rose	Welle
Clark, K.	Hokr	Nelson, K.	St. Onge	Wenzel
Clawson	Jacobs	Neuenschwander	Sarna	Wigley
Cohen	Jennings	Norton	Scheid	Wynia
Coleman	Jensen	O'Connor	Schoenfeld	Speaker Sieben
Eken	Kahn	Ogren	Schreiber	
Elioff	Kalis	Olsen	Segal	
Ericksen	Kelly	Onnen	Shea	
Evans	Knickerbocker	Osthoff	Sherman	

Those who voted in the negative were:

Dempsey	Kvam	McDonald	Schafer	Thiede
DenOuden	Ludeman	Omamm	Seaberg	Welker
Dimler	Marsh	Quist	Sviggum	Zaffke
Johnson				

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. 1421, A bill for an act relating to labor; authorizing certain payroll deductions; amending Minnesota Statutes 1982, section 181.06, subdivision 2.

PATRICK E. FLAHAVER, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Simoneau moved that the House concur in the Senate amendments to H. F. No. 1421 and that the bill be repassed as amended by the Senate. The motion prevailed.

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, 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 68 yeas and 47 nays as follows:

Those who voted in the affirmative were:

Battaglia	Greenfield	McEachern	Otis	Simoneau
Beard	Gustafson	McKasy	Pauly	Skoglund
Begich	Heap	Metzen	Piper	Solberg
Bergstrom	Hoffman	Minne	Price	Sparby
Boo	Jacobs	Munger	Quinn	Swanson
Brinkman	Jensen	Murphy	Riveness	Tunheim
Carlson, L.	Kahn	Nelson, D.	Rodosovich	Vanasek
Clark, J.	Kalis	Nelson, K.	Rodriguez, F.	Vellenga
Clark, K.	Kelly	Neuenschwander	St. Onge	Welle
Cohen	Kostohryz	Norton	Sarna	Wenzel
Coleman	Krueger	O'Connor	Scheid	Wynia
Eken	Larsen	Ogren	Schoenfeld	Speaker Sieben
Elioff	Long	Olsen	Segal	
Graba	Mann	Osthoff	Shea	

Those who voted in the negative were:

Bennett	Findlay	Jennings	Quist	Thiede
Bishop	Fjoslien	Johnson	Redalen	Uphus
Blatz	Forsythe	Knickerbocker	Reif	Valan
Brandl	Gruenes	Kvam	Rose	Valento
Burger	Gutknecht	Ludeman	Schafer	Waltman
Dempsey	Halberg	Marsh	Schreiber	Welker
DenOuden	Haukoos	McDonald	Seaberg	Wigley
Dimler	Heinitz	Omann	Shaver	
Erickson	Himle	Onnen	Sherman	
Evans	Hokr	Piepho	Sviggum	

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

Mr. Speaker:

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

H. F. No. 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.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Fjoslien moved that the House concur in the Senate amendments to H. F. No. 1663 and that the bill be repassed as amended by the Senate. The motion prevailed.

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, as amended by the Senate, and placed upon its repassage.

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

Those who voted in the affirmative were:

Anderson, B.	Dempsey	Himle	Mann	Piepho
Anderson, G.	DenOuden	Hoffman	Marsh	Piper
Battaglia	Dimler	Hokr	McDonald	Price
Beard	Eken	Jacobs	McEachern	Quinn
Begich	Elioff	Jennings	McKasy	Quist
Bennett	Erickson	Jensen	Metzen	Redalen
Bergstrom	Evans	Johnson	Minne	Reif
Bishop	Findlay	Kahn	Murphy	Rice
Blatz	Fjoslien	Kalis	Nelson, K.	Riveness
Boo	Forsythe	Kelly	Norton	Rodosovich
Brandl	Graba	Knickerbocker	O'Connor	Rodriguez, C.
Brinkman	Greenfield	Knuth	Ogren	Rodriguez, F.
Burger	Gruenes	Kostohryz	Olsen	Rose
Carlson, L.	Gustafson	Krueger	Omann	St. Onge
Clark, J.	Gutknecht	Kvam	Onnen	Sarna
Clark, K.	Halberg	Larsen	Osthoff	Schafer
Clawson	Haukoos	Levi	Otis	Scheid
Cohen	Heap	Long	Pauly	Schoenfeld
Coleman	Heinitz	Ludeman	Peterson	Schreiber

Seaberg	Skoglund	Thiede	Vanasek	Wenzel
Segal	Solberg	Tomlinson	Vellenga	Wigley
Shaver	Sparby	Tunheim	Waltman	Wynia
Shea	Staten	Uphus	Welch	Zaffke
Sherman	Swiggum	Valan	Welker	Speaker Sieben
Simoneau	Swanson	Valento	Welle	

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. 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.

PATRICK E. FLAHAVEN, Secretary of the Senate

Jennings moved that the House refuse to concur in the Senate amendments to H. F. No. 1420, that the Speaker appoint a Conference Committee of 5 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses.

A roll call was requested and properly seconded.

CALL OF THE HOUSE

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

Anderson, G.	Dempsey	Heap	Ludeman	Piepho
Battaglia	DenOuden	Heinitz	Mann	Piper
Beard	Dimler	Himle	Marsh	Price
Begich	Eken	Hoffman	McDonald	Quinn
Bennett	Elioff	Hokr	McKasy	Quist
Bergstrom	Erickson	Jacobs	Minne	Redalen
Bishop	Evans	Jennings	Murphy	Reif
Blatz	Findlay	Jensen	Neuenschwander	Riveness
Boo	Fjoslien	Kelly	Norton	Rodosovich
Brandl	Forsythe	Knickerbocker	Ogren	Rodriguez, C.
Brinkman	Graba	Knuth	Olsen	Rodriguez, F.
Burger	Greenfield	Kostohryz	Omann	Rose
Carlson, D.	Gruenes	Krueger	Onnen	St. Onge
Carlson, L.	Gustafson	Kvam	Osthoff	Scheid
Clark, J.	Gutknecht	Larsen	Otis	Schoenfeld
Cohen	Halberg	Levi	Pauly	Schreiber
Coleman	Haukoos	Long	Peterson	Seaberg

Shaver	Solberg	Tomlinson	Vanasck	Welle
Shea	Sparby	Tunheim	Voss	Wenzel
Sherman	Staten	Uphus	Waltman	Wigley
Simoneau	Sviggum	Valan	Welch	Zaffke
Skoglund	Thiede	Valento	Welker	Speaker Sieben

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 was taken on the Jennings motion and the roll was called.

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

There were 80 yeas and 46 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Evans	Jennings	Olsen	Shea
Begich	Findlay	Jensen	Omamn	Shetman
Bennett	Fjoslieh	Johnson	Onnen	Simoneau
Bishop	Forsythe	Knickerbocker	Pauly	Sparby
Blatz	Frerichs	Kostohryz	Piepho	Sviggum
Boo	Graba	Krueger	Quist	Thiede
Brinkman	Gruenes	Kvam	Redalen	Tunheim
Burger	Gutknecht	Levi	Reif	Uphus
Carlson, D.	Halberg	Ludeman	Rodosovich	Valan
Clawson	Haukoos	Mann	Rodriguez, C.	Valento
Cohen	Heap	Marsh	Rose	Waltman
Coleman	Heinitz	McDonald	Schafer	Welker
Dempsey	Himle	McEachern	Schoenfeld	Welle
DenOuden	Hoffman	McKasy	Schreiber	Wenzel
Dimler	Hokr	Neuenschwander	Seaberg	Wigley
Erickson	Jacobs	Norton	Shaver	Zaffke

Those who voted in the negative were:

Anderson, G.	Greenfield	Munger	Piper	Skoglund
Battaglia	Gustafson	Murphy	Price	Solberg
B Beard	Kalis	Nelson, D.	Quinn	Swanson
Bergstrom	Kelly	Nelson, K.	Rice	Tomlinson
Brandl	Knuth	O'Connor	Riveness	Vanasck
Carlson, L.	Larsen	Ogren	Rodriguez, F.	Voss
Clark, J.	Long	Osthoff	St. Onge	Welch
Clark, K.	Metzen	Otis	Sarna	Wynia
Eken	Minne	Peterson	Scheid	Speaker Sieben
Elioff				

The motion prevailed.

Mr. Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 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 Senate has appointed as such committee Messrs. Merriam, Freeman and Johnson, D. E.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendment to:

S. F. No. 1258, 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; regulating nuclear fission electric generating plants in Minnesota; amending Minnesota Statutes 1982, section 116C.71, by adding subdivisions; and 116C.74; proposing new law coded in Minnesota Statutes, chapters 116C and 216B.

And the Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee Messrs. Merriam; Moe, D. M., and Ulland.

Said Senate File is herewith transmitted to the House with the request that the House appoint a like committee.

PATRICK E. FLAHAVEN, Secretary of the Senate

Clark, K., moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 3 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two houses on S. F. No. 1258. The motion prevailed.

Mr. Speaker:

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

S. F. No. 1858.

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. 1683, 2164 and 2165.

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. 2167.

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. 1903 and 2046.

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. 1298, 1879 and 1880.

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. 1622.

PATRICK E. FLAHAVEN, Secretary of the Senate

The Speaker called Wynia to the Chair.

FIRST READING OF SENATE BILLS

S. F. No. 1858, 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.

S. F. No. 1683, 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.

McEachern moved that S. F. No. 1683 and H. F. No. 2173, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2164, 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.

Minne moved that S. F. No. 2164 and H. F. No. 2276, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2165, 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.

Shea moved that S. F. No. 2165 and H. F. No. 2218, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2167, A bill for an act relating to port authorities; fixing the amount of the property tax levy for them; requiring

a reverse referendum in certain circumstances; amending Minnesota Statutes 1982, section 458.14.

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

S. F. No. 1903, A bill for an act relating to communications; deregulating radio common carriers; amending Minnesota Statutes 1982, section 237.01, subdivision 2, and by adding subdivisions.

The bill was read for the first time.

Jacobs moved that S. F. No. 1903 and H. F. No. 2070, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2046, 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; 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.

Ellingson moved that S. F. No. 2046 and H. F. No. 2161, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1298, 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; 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.

The bill was read for the first time.

Clawson moved that S. F. No. 1298 and H. F. No. 1302, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1879, 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.

Nelson, K., moved that S. F. No. 1879 and H. F. No. 1910, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1880, A bill for an act relating to local government; providing for financing of county and county regional jails; providing for a special allocation of mortgage revenue bonds for calendar year 1985; authorizing the levy of special assessments or service charges for fire protection and pedestrian skyway systems; allowing the town of Blue Hill to exercise certain powers; letting municipal housing contracts; increasing the amount of expenditures for construction and other work that requires an award by contract; amending Minnesota Statutes 1982, sections 429.021, subdivision 1; 429.031, subdivision 3; 429.091, subdivision 2; 429.101, subdivision 1; 462.461, subdivisions 1, 2, and 3; 462C.09, by adding a subdivision; 641.24; and 641.264, subdivision 1.

The bill was read for the first time.

Ellingson moved that S. F. No. 1880 and H. F. No. 2012, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

CALL OF THE HOUSE LIFTED

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

S. F. No. 1622, 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.

SUSPENSION OF RULES

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, Wenzel moved that the rule therein be suspended and an urgency be declared so that S. F. No. 1622 be given its second and third readings and be placed upon its final passage. The motion prevailed.

Wenzel moved that the rules of the House be so far suspended that S. F. No. 1622 be given its second and third readings and be placed upon its final passage. The motion prevailed.

S. F. No. 1622 was read for the second time.

The Speaker resumed the Chair.

S. F. No. 1622, 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 third 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.	Eken	Jensen	Nelson, D.	Rodriguez, C.
Anderson, G.	Elioff	Johnson	Nelson, K.	Rodriguez, F.
Battagliá	Ellingson	Kahn	Neuenschwander	Rose
Beard	Erickson	Kalis	Norton	St. Onge
Begich	Evans	Kelly	O'Connor	Sarna
Bergstrom	Findlay	Knickerbocker	Ogren	Schafer
Bishop	Fjoslien	Kostohryz	Olsen	Scheid
Blatz	Forsythe	Krueger	Omann	Schoenfeld
Boo	Frerichs	Kvam	Onnen	Schreiber
Brandl	Graba	Larsen	Osthoff	Seaberg
Brinkman	Greenfield	Levi	Otis	Segal
Burger	Gruenes	Long	Pauly	Shaver
Carlson, D.	Gustafson	Ludeman	Peterson	Shea
Carlson, L.	Gutknecht	Mann	Piepho	Sherman
Clark, J.	Halberg	Marsh	Piper	Simoneau
Clark, K.	Haukoos	McDonald	Price	Skoglund
Clawson	Heinitz	McEachern	Quinn	Solberg
Cohen	Himle	McKasy	Quist	Sparby
Coleman	Hoffman	Metzen	Redalen	Staten
Dempsey	Hokr	Minne	Reif	Sviggum
DenOuden	Jacobs	Munger	Rice	Swanson
Dimler	Jennings	Murphy	Rodosovich	Thiede

Tomlinson	Valento	Waltman	Welle	Wynia
Tunheim	Vanasek	Welch	Wenzel	Zaffke
Uphus	Vellenga	Welker	Wigley	Speaker Sieben
Valan	Voss			

The bill was passed and its title agreed to.

ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1420:

Riveness, Simoneau, Jennings, Norton and Begich.

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.

SPECIAL ORDERS

H. F. No. 158 was reported to the House.

Osthoff, Bennett, Evans, Reif, Piepho and Anderson, R., moved to amend H. F. No. 158, the first engrossment, as follows:

Delete everything after the enacting clause and insert:

“Section 1. [PROPOSED AMENDMENT.]

The following amendment to the Minnesota Constitution is proposed to the people. If the amendment is adopted, article XIII, section 5, will read as follows:

Sec. 5. The legislature shall not authorize any lottery or the sale of lottery tickets *except as provided in this section. The legislature may authorize lotteries where the prizes are awarded to persons selected by lot, if conducted by the state with net revenues dedicated to income tax relief or by non-profit organizations for charitable purposes as those terms are defined by law.*

Sec. 2. [SUBMISSION TO VOTERS.]

The proposed amendment shall be submitted to the people at the 1984 general election. The question submitted shall be:

"Shall the Minnesota Constitution be amended to permit the legislature to authorize lotteries operated by the state with net revenue dedicated to income tax relief, or by nonprofit organizations for charitable purposes?"

Yes

No " "

Delete the title and insert :

"A bill for an act proposing an amendment to the Minnesota Constitution, article XIII, section 5; permitting the legislature to authorize certain lotteries."

A roll call was requested and properly seconded.

CALL OF THE HOUSE

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

Battaglia	Erickson	Kostohryz	Peterson	Solberg
Begich	Evans	Krueger	Piepho	Sviggum
Bennett	Findlay	Ludeman	Price	Swanson
Blatz	Fjoslien	Mann	Quinn	Thiede
Boo	Frerichs	McDonald	Quist	Uphus
Brinkman	Gruenes	McEachern	Rodosovich	Valan
Carlson, L.	Gustafson	Metzen	Rodriguez, C.	Valento
Clark, J.	Haukoos	Minne	Rodriguez, F.	Vanasek
Clark, K.	Heap	Munger	St. Onge	Waltman
Clawson	Heinitz	Nelson, D.	Scheid	Welker
Cohen	Hoffman	Neuenschwander	Schreiber	Welle
Coleman	Jennings	Ogren	Seaberg	Wenzel
Dempsey	Jensen	Olsen	Shaver	Wigley
DenOuden	Johnson	Onnen	Shea	Wynia
Eken	Kalis	Osthoff	Simoneau	Zaffke
Ellingson	Knickerbocker	Otis	Skoglund	Speaker Sieben

Osthoff 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.

Wynia moved to re-refer H. F. No. 158 to the Committee on Appropriations.

A roll call was requested and properly seconded.

The question was taken on the Wynia motion to re-refer H. F. No. 158 to the Committee on Appropriations and the roll was called.

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

There were 68 yeas and 59 nays as follows:

Those who voted in the affirmative were:

Bishop	Fjoslien	Kvam	Rice	Thiede
Blatz	Forsythe	Ludeman	Rodosovich	Tunheim
Boo	Frerichs	Mann	Rodriguez, C.	Uphus
Brandl	Graba	Marsh	Rose	Valento
Burger	Greenfield	McDonald	Schafer	Vanasek
Carlson, D.	Gruenes	McKasy	Schreiber	Vellenga
Clark, K.	Gutknecht	Munger	Seaberg	Voss
Clawson	Halberg	Nelson, K.	Segal	Waltman
Coleman	Heap	Norton	Shaver	Welch
Dempsey	Himle	Onnen	Shea	Welker
DenOuden	Hokr	Pauly	Sherman	Wynia
Dimler	Jennings	Piepho	Skoglund	Zaffke
Erickson	Johnson	Quist	Sviggum	
Findlay	Kahn	Redalen	Swanson	

Those who voted in the negative were:

Anderson, R.	Evans	Krueger	Olsen	Sarna
Battaglia	Gustafson	Larsen	Omann	Scheid
Beard	Haukoos	Levi	Osthoff	Schoenfeld
Begich	Heinitz	Long	Otis	Simoneau
Bennett	Hoffman	McEachern	Peterson	Solberg
Bergstrom	Jacobs-	Metzen	Piper	Sparby
Carlson, L.	Jensen	Minne	Price	Tomlinson
Clark, J.	Kalis	Murphy	Quinn	Valan
Cohen	Kelly	Nelson, D.	Reif	Welle
Eken	Knickerbocker	Neuenschwander	Riveness	Wenzel
Elioff	Knuth	O'Connor	Rodriguez, F.	Speaker Sieben
Ellingson	Kostohryz	Ogren	St. Onge	

The motion prevailed and H. F. No. 158 was re-referred to the Committee on Appropriations.

CALL OF THE HOUSE LIFTED

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

H. F. No. 1557 was reported to the House.

McEachern moved that H. F. No. 1557 be returned to its author. The motion prevailed.

S. F. No. 1807, 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 third 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:

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

The bill was passed and its title agreed to.

S. F. No. 1977, 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 third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 103 yeas and 6 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Clark, K.	Gustafson	Mann	Olsen
Battaglia	Cohen	Halberg	Marsh	Omman
Beard	Coleman	Haukoos	McDonald	Onnen
Begich	Dempsey	Heinitz	McEachern	Osthoff
Bennett	Dimler	Hoffman	McKasy	Pauly
Bergstrom	Eken	Jacobs	Metzen	Peterson
Bishop	Elioff	Jensen	Minne	Piepho
Blatz	Erickson	Kahn	Munger	Piper
Boo	Evans	Kelly	Murphy	Price
Brandl	Findlay	Knickerbocker	Nelson, D.	Quinn
Brinkman	Fjoslien	Kostohryz	Nelson, K.	Redalen
Burger	Forsythe	Krueger	Neuenschwander	Reif
Carlson, D.	Graba	Larsen	Norton	Riveness
Carlson, L.	Greenfield	Levi	O'Connor	Rodosovich
Clark, J.	Gruenes	Long	Ogren	Rodriguez, C.

Rodriguez, F.	Seaberg	Sparby	Uphus	Welch
Rose	Segal	Staten	Valan	Welle
St. Onge	Sherman	Sviggum	Valento	Wenzel
Sarna	Simoneau	Swanson	Vanasek	Speaker Sieben
Schoenfeld	Skoglund	Tomlinson	Voss	
Schreiber	Solberg	Tunheim	Waltman	

Those who voted in the negative were:

Johnson	Schafer	Thiede	Welker	Zaffke
Ludeman				

The bill was passed and its title agreed to.

S. F. No. 1931 was reported to the House.

Cohen moved to amend S. F. No. 1931, as follows:

Page 1, line 11, delete "one hard wire" insert "a"

The motion prevailed and the amendment was adopted.

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 third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 117 yeas and 1 nay as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Welker

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

S. F. No. 1563 was reported to the House.

Begich moved to amend S. F. No. 1563, the unofficial engrossment, as follows:

Page 1, after line 11, insert:

“Section 1. [181.585] [EMPLOYEE DISCHARGE.]

Any individual who:

(1) has been employed for more than 6 months under an employment contract in this state;

(2) is discharged for reasons which do not give rise to a remedy under federal law; and

(3) is discharged without just cause,

shall have a cause of action against his or her employer for breach of the employment contract. Remedies under the cause of action shall include reinstatement, specific and general contract damages, punitive damages, and costs of the suit including reasonable attorney's fees.

An employer is acting with just cause when: (1) the employer discharges the employee for mistake or misconduct which significantly and adversely affects the employer's business interests or for general business reasons that require that the employee's position be terminated; and (2) such discharge is reasonable in light of the employee's past years of service to the employer, and the quality of this service. Mistake or misconduct on the part of an employee which may give an employer just cause to discharge the employee includes incompetence, neglect of duty, and physical or mental incapacity. General business reasons which may give the employer just cause to discharge an employee include downturns in business which require that the employer temporarily or permanently discharge the employee and automation by the employer which makes the employee's position obsolete. Among other cases, an employer is not acting with just cause when the employer discharges an employee due to personal animosity, the employee's political beliefs, the employee reporting a violation of law or refusing to violate a law, and the exercise by the employee of a legal right or privilege.

Sec. 2.

Minnesota Statutes, section 181.585 shall apply only with respect to employment contracts which are entered into, renewed, or modified, after the day following final enactment of this bill."

Renumber the remaining sections and correct all internal cross-references

Further, amend the title as necessary

A roll call was requested and properly seconded.

Ludeman moved to lay the Begich amendment to S. F. No. 1563, the unofficial engrossment, on the table.

A roll call was requested and properly seconded.

The question was taken on the motion to lay on the table and the roll was called. There were 55 yeas and 60 nays as follows:

Those who voted in the affirmative were:

Bennett	Forsythe	Jennings	Omamm	Sherman
Blatz	Frerichs	Johnson	Onnen	Sviggum
Boo	Graba	Knickerbocker	Pauly	Thiede
Burger	Gruenes	Krueger	Piepho	Tunheim
Dempsey	Gutknecht	Kvam	Quist	Uphus
DenOuden	Halberg	Levi	Redalen	Valan
Dimler	Haukoos	Ludeman	Reif	Valento
Erickson	Heap	Marsh	Rose	Waltman
Evans	Heinitz	McDonald	Schafer	Welker
Findlay	Himle	McKasy	Schreiber	Wigley
Fjoslien	Hokr	Olsen	Seaberg	Zaffke

Those who voted in the negative were:

Battaglia	Eken	Mann	Osthoff	Skoglund
Beard	Elioff	McEachern	Otis	Solberg
Begich	Ellingson	Metzen	Peterson	Sparby
Bergstrom	Greenfield	Minne	Piper	Staten
Brandl	Gustafson	Munger	Price	Swanson
Brinkman	Jacobs	Murphy	Quinn	Vanasek
Carlson, D.	Jensen	Nelson, D.	Rodosovich	Vellenga
Carlson, L.	Kelly	Nelson, K.	Rodriguez, F.	Welch
Clark, J.	Knuth	Neuenschwander	Sarna	Welle
Clark, K.	Kostohryz	Norton	Scheid	Wenzel
Cohen	Larsen	O'Connor	Schoenfeld	Wynia
Coleman	Long	Ogren	Simoneau	Speaker Sieben

The motion did not prevail.

Welker moved to re-refer S. F. No. 1563, the unofficial engrossment, to the Committee on Labor-Management Relations.

A roll call was requested and properly seconded.

The question was taken on the Welker motion and the roll was called. There were 48 yeas and 68 nays as follows:

Those who voted in the affirmative were:

Bennett	Fjoslien	Hokr	Omarr	Swiggum
Blatz	Forsythe	Jennings	Onnen	Thiede
Boo	Frerichs	Johnson	Pauly	Uphus
Burger	Gruenes	Knickerbocker	Redalen	Valan
Carlson, D.	Gutknecht	Kvam	Reif	Valento
DenOuden	Halberg	Ludeman	Rose	Waltman
Dimler	Haukoos	Marsh	Schafer	Welker
Erickson	Heap	McDonald	Schreiber	Zaffke
Evans	Heinitz	McKasy	Seaberg	
Findlay	Himle	Olsen	Sherman	

Those who voted in the negative were:

Anderson, B.	Eken	Mann	Price	Staten
Anderson, G.	Elioff	McEachern	Quinn	Swanson
Battaglia	Ellingson	Metzen	Rice	Tomlinson
Beard	Graba	Minne	Riveness	Tunheim
Begich	Greenfield	Munger	Rodosovich	Vanasek
Bergstrom	Gustafson	Murphy	Rodriguez, F.	Vellenga
Brandl	Jacobs	Nelson, K.	St. Onge	Voss
Brinkman	Jensen	Norton	Sarna	Welch
Carlson, L.	Kahn	O'Connor	Scheid	Welle
Clark, J.	Kalis	Ogren	Schoenfeld	Wenzel
Clark, K.	Kelly	Osthoff	Simoneau	Wynia
Clawson	Kostohryz	Otis	Skoglund	Speaker Sieben
Cohen	Krueger	Peterson	Solberg	
Coleman	Long	Piper	Sparby	

The motion did not prevail.

The question recurred on the Begich amendment and the roll was called. There were 51 yeas and 66 nays as follows:

Those who voted in the affirmative were:

Battaglia	Elioff	Long	Otis	Simoneau
Beard	Ellingson	Metzen	Peterson	Skoglund
Begich	Greenfield	Minne	Piper	Solberg
Bergstrom	Gustafson	Munger	Price	Swanson
Brandl	Hoffman	Murphy	Quinn	Vanasek
Carlson, L.	Jacobs	Nelson, D.	Rice	Voss
Clark, J.	Kahn	Norton	Rodriguez, F.	Welle
Clark, K.	Kelly	O'Connor	St. Onge	Wenzel
Cohen	Kostohryz	Ogren	Sarna	Wynia
Coleman	Larsen	Osthoff	Scheid	Speaker Sieben
Eken				

Those who voted in the negative were:

Anderson, G.	Burger	Findlay	Gutknecht	Hokr
Bennett	Carlson, D.	Fjoslien	Halberg	Jennings
Bishop	DenOuden	Forsythe	Haukoos	Johnson
Blatz	Dimler	Frerichs	Heap	Knickerbocker
Boo	Erickson	Graba	Heinitz	Krueger
Brinkman	Evans	Gruenes	Himle	Kvam

Levi	Onnen	Rodriguez, C.	Shaver	Valan
Ludeman	Pauly	Rose	Shea	Valento
Mann	Piepho	Schafer	Sherman	Waltman
Marsh	Quist	Schoenfeld	Sviggum	Welch
McDonald	Redalen	Schreiber	Thiede	Welker
McKasy	Reif	Seaberg	Tunheim	Wigley
Olsen	Rodosovich	Segal	Uphus	Zaffke
Omann				

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

Begich moved to amend S. F. No. 1563, the unofficial engrossment, as follows:

Page 4, after line 18, insert:

“Sec. 4. Minnesota Statutes 1983 Supplement, section 363.02, subdivision 1, is amended to read:

Subdivision 1. [EMPLOYMENT.] The provisions of section 363.03, subdivision 1, shall not apply to:

(1) The employment of any individual

(a) by his parent, grandparent, spouse, child, or grandchild, or

(b) in the domestic service of any person;

(2) A religious or fraternal corporation, association, or society, with respect to qualifications based on religion, when religion shall be a bona fide occupational qualification for employment;

(3) The employment of one person in place of another, standing by itself, shall not be evidence of an unfair discriminatory practice;

(4) (AN AGE RESTRICTION APPLIED UNIFORMLY AND WITHOUT EXCEPTION TO ALL INDIVIDUALS ESTABLISHED BY A BONA FIDE APPRENTICESHIP PROGRAM ESTABLISHED PURSUANT TO CHAPTER 178, WHICH LIMITS PARTICIPATION TO PERSONS WHO ENTER THE PROGRAM PRIOR TO SOME SPECIFIED AGE AND THE TRADE INVOLVED IN THE PROGRAM PREDOMINANTLY INVOLVES HEAVY PHYSICAL LABOR OR WORK ON HIGH STRUCTURES. AFTER JANUARY 1, 1984, THESE AGE RESTRICTIONS ARE EXEMPT FROM THE PROVISIONS OF SECTION 363.03, SUBDIVISION 1 ONLY TO THE EXTENT THAT THEY ARE DECLARED EXEMPT IN RULES ADOPTED BY THE COMMISSIONER ACCORDING TO CHAPTER 14. THE COMMISSIONER MUST ADOPT RULES GOVERNING THIS SUBJECT BEFORE JANUARY

1, 1984, AND IS AUTHORIZED TO ADOPT TEMPORARY, AS WELL AS PERMANENT RULES FOR THIS PURPOSE. NEITHER SHALL) The operation of a bona fide seniority system which mandates differences in such things as wages, hiring priorities, lay-off priorities, vacation credit, and job assignments based on seniority, (BE A VIOLATION OF THE AGE DISCRIMINATION PROVISIONS OF SECTION 363.03, SUBDIVISION 1,) so long as the operation of the system is not a subterfuge to evade the provisions of chapter 363;

(5) With respect to age discrimination, a practice by which a labor organization or employer offers or supplies varying insurance benefits or other fringe benefits to members or employees of differing ages, so long as the cost to the labor organization or employer for the benefits is reasonably equivalent for all members or employees;

(6) A restriction imposed by state statute, home rule charter, ordinance, or civil service rule, and applied uniformly and without exception to all individuals, which establishes a maximum age for entry into employment as a peace officer or firefighter.

(7) Nothing in this chapter concerning age discrimination shall be construed to validate or permit age requirements which have a disproportionate impact on persons of any class otherwise protected by section 363.03, subdivision 1 or 5.

It is not an unfair employment practice for an employer, employment agency or labor organization:

(i) to require or request a person to undergo physical examination, which may include a medical history, for the purpose of determining the person's capability to perform available employment, provided (a) that an offer of employment has been made on condition that the person meets the physical or mental requirements of the job; (b) that the examination tests only for essential job-related abilities; and (c) that the examination, unless limited to determining whether the person's disability would prevent performance of the job, is required of all persons conditionally offered employment for the same position regardless of disability; or

(ii) with the consent of the employee, to obtain additional medical information for the purposes of establishing an employee health record;

(iii) to administer pre-employment tests, provided that the tests (a) measure only essential job-related abilities, (b) are required of all applicants for the same position regardless of disability unless limited to determining whether the person's disability would prevent performance of the job, and (c) accurately measure the applicant's aptitude, achievement level, or

whatever factors they purport to measure rather than reflecting the applicant's impaired sensory, manual, or speaking skills, except when those skills are the factors that the tests purport to measure; or

(iv) to limit receipt of benefits payable under a fringe benefit plan for disabilities to that period of time which a licensed physician reasonably determines a person is unable to work; or

(v) to provide special safety considerations for pregnant women involved in tasks which are potentially hazardous to the health of the unborn child, as determined by medical criteria."

Renumber all remaining sections and correct all internal cross-references

Further, amend the title as necessary

The motion prevailed and the amendment was adopted.

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 third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 101 yeas and 14 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Ellingson	Levi	Price	Sparby
Anderson, G.	Findlay	Long	Quinn	Sviggum
Beard	Graba	Ludeman	Quist	Swanson
Begich	Greenfield	Marsh	Reif	Tomlinson
Bennett	Gruenes	McDonald	Rice	Tunheim
Bergstrom	Gustafson	McEachern	Riveness	Uphus
Bishop	Gutknecht	Metzen	Rodosovich	Valan
Blatz	Halberg	Minne	Rodriguez, C.	Valento
Boo	Heap	Munger	Rodriguez, F.	Vanasek
Brandl	Heinitz	Murphy	Rose	Vellenga
Brinkman	Hoffman	Nelson, D.	Sarna	Voss
Burger	Hokr	Nelson, K.	Scheid	Waltman
Carlson, D.	Jacobs	Neuenschwander	Schoenfeld	Welch
Carlson, L.	Jensen	Norton	Schreiber	Welle
Clark, J.	Johnson	O'Connor	Seaberg	Wenzel
Clark, K.	Kahn	Omann	Segal	Wynia
Clawson	Kelly	Osthoff	Shaver	Speaker Sieben
Coleman	Knickerbocker	Otis	Sherman	
Dimler	Knuth	Pauly	Simoneau	
Eken	Krueger	Peterson	Skoglund	
Elioff	Larsen	Piper	Solberg	

Those who voted in the negative were:

DenOuden	Fjoslien	Jennings	Piepho	Thiede
Erickson	Forsythe	Kvam	Schafer	Welker
Evans	Frerichs	Onnen	Shea	

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

**REPORT FROM THE COMMITTEE ON RULES AND
LEGISLATIVE ADMINISTRATION**

Eken, from the Committee on Rules and Legislative Administration, pursuant to Rule 1.9, designated the following bills as Special Orders to be added to Special Orders pending for today, April 18, 1984:

H. F. Nos. 1577, 1291, 1559, 1568, 1686, 1695, 1735, 1800, 1977, 2017, 2099, 2154, 2192, 1406, 1578, 1982, 1831, 1865 and 2098; S. F. Nos. 1732, 1859, 2076, 1403, 1546, 1589, 1794, 1954, 1973, 751, 1559, 1815, 1913, 1849, 1114, 1336, 1762 and 1349; H. F. No. 2186; S. F. No. 887; H. F. Nos. 2036, 2055, 1766, 2276, 2185, 2218, 1501, 1910, 2161, 1302, 2012 and 2070.

SPECIAL ORDERS, Continued

H. F. No. 1577 was reported to the House.

There being no objection H. F. No. 1577 was temporarily laid over on Special Orders.

H. F. No. 1291 was reported to the House.

SUSPENSION OF RULES

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, McEachern moved that the rule therein be suspended and an urgency be declared so that H. F. No. 1291 be given its third reading and be placed upon its final passage. The motion prevailed.

McEachern moved that the rules of the House be so far suspended that H. F. No. 1291 be given its third reading and be placed upon its final passage. The motion prevailed.

McEachern moved to amend H. F. No. 1291, the second engrossment, as follows:

Page 2, line 24, strike "any public or private stocks or bonds" and insert "*investments*"

Page 3, delete lines 6 to 9 and insert:

"Shall the Minnesota Constitution be amended to remove constitutional restrictions on the investment of the permanent

school fund and to allow the limits on the investment of the fund and the apportionment of the returns on the investment to school districts to be set by law?"

The motion prevailed and the amendment was adopted.

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.

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

The question was taken on the passage of the bill and the roll was called. There were 122 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

H. F. No. 1559 was reported to the House.

SUSPENSION OF RULES

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, McEachern moved that the rule therein be suspended and an urgency be declared so that H. F. No. 1559 be given its third reading and be placed upon its final passage. The motion prevailed.

McEachern moved that the rules of the House be so far suspended that H. F. No. 1559 be given its third reading and be placed upon its final passage. The motion prevailed.

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, sections 94.343, subdivision 1; and 94.349, 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 118 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 1258:

Clark, K.; Krueger and Redalen.

The Speaker called Heinitz to the Chair.

H. F. No. 1568, 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.

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

The question was taken on the passage of the bill and the roll was called. There were 112 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

H. F. No. 1686, A bill for an act relating to animals; disposition of stray animals; protecting leader dogs; imposing penalties; amending Minnesota Statutes 1982, section 35.71, subdivision 3; proposing new law coded in Minnesota Statutes 1982, chapter 347.

The bill was read for the third 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.	Beard	Bergstrom	Boo	Burger
Anderson, G.	Begich	Bishop	Brandl	Carlson, D.
Battaglia	Bennett	Blatz	Brinkman	Carlson, L.

Clark, J.	Heap	McEachern	Quinn	Sparby
Clark, K.	Himle	McKasy	Quist	Sviggum
Clawson	Hoffman	Metzen	Redalen	Swanson
Cohen	Hokr	Minne	Reif	Thiede
Dempsey	Jacobs	Munger	Rice	Tomlinson
DenOuden	Jennings	Murphy	Riveness	Tunheim
Dimler	Jensen	Nelson, D.	Rodriguez, C.	Uphus
Eken	Johnson	Nelson, K.	Rodriguez, F.	Valan
Elioff	Kahn	Neuenschwander	Rose	Valento
Ellingson	Kelly	Norton	St. Onge	Vanasek
Erickson	Knickerbocker	O'Connor	Schafer	Vellenga
Evans	Knuth	Ogren	Scheid	Voss
Findlay	Kostohryz	Olsen	Schoenfeld	Waltman
Fjoslien	Krueger	Omann	Schreiber	Welch
Forsythe	Kvam	Onnen	Seaberg	Welker
Graba	Larsen	Osthoff	Segal	Welle
Greenfield	Levi	Otis	Shaver	Wenzel
Gruenes	Long	Pauly	Shea	Wynia
Gustafson	Ludeman	Peterson	Sherman	Zaffke
Gutknecht	Mann	Piepho	Simoneau	Speaker Sieben
Halberg	Marsh	Piper	Skoglund	
Haukoos	McDonald	Price	Solberg	

The bill was passed and its title agreed to.

H. F. No. 1695, A bill for an act relating to courts; accelerating the effective date of judicial reorganization in the third and seventh judicial districts; amending Minnesota Statutes 1982, section 487.191.

The bill was read for the third 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.	Eken	Johnson	Neuenschwander	Rose
Battaglia	Elioff	Kahn	Norton	St. Onge
Beard	Ellingson	Kelly	Ogren	Schafer
Begich	Erickson	Knickerbocker	Olsen	Scheid
Bennett	Evans	Knuth	Omann	Schoenfeld
Bergstrom	Findlay	Kostohryz	Onnen	Schreiber
Bishop	Fjoslien	Krueger	Osthoff	Seaberg
Blatz	Forsythe	Kvam	Otis	Segal
Boo	Frerichs	Larsen	Pauly	Shaver
Brandl	Greenfield	Levi	Peterson	Shea
Brinkman	Gruenes	Long	Piepho	Sherman
Burger	Gustafson	Ludeman	Piper	Simoneau
Carlson, D.	Gutknecht	Mann	Price	Skoglund
Carlson, L.	Halberg	Marsh	Quinn	Solberg
Clark, J.	Haukoos	McDonald	Quist	Sparby
Clark, K.	Heap	McKasy	Redalen	Sviggum
Clawson	Himle	Metzen	Reif	Swanson
Cohen	Hoffman	Minne	Rice	Thiede
Coleman	Hokr	Munger	Riveness	Tomlinson
Dempsey	Jacobs	Murphy	Rodosovich	Tunheim
DenOuden	Jennings	Nelson, D.	Rodriguez, C.	Uphus
Dimler	Jensen	Nelson, K.	Rodriguez, F.	Valan

Valento	Voss	Welker	Wenzel	Zaffke
Vanasek	Waltman	Welle	Wynia	Speaker Sieben
Vellenga	Welch			

The bill was passed and its title agreed to.

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

The bill was passed and its title agreed to.

H. F. No. 1800 was reported to the House.

Heap moved to amend H. F. No. 1800, as follows:

Page 1, line 7, delete "harrassment" insert "harassment"

The motion prevailed and the amendment was adopted.

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 third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 120 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

H. F. No. 1977 was reported to the House.

There being no objection H. F. No. 1977 was temporarily laid over on Special Orders.

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 subdivisions; and 253B.18, by adding subdivisions.

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

The question was taken on the passage of the bill and the roll was called. There were 111 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Findlay	Larsen	Piper	Staten
Battaglia	Fjoslien	Levi	Price	Sviggum
Beard	Forsythe	Long	Quinn	Swanson
Begich	Graba	Ludeman	Quist	Tomlinson
Bennett	Greenfield	Mann	Riveness	Tunheim
Bergstrom	Gruenes	Marsh	Rodosovich	Uphus
Bishop	Gustafson	McDonald	Rodriguez, C.	Valan
Blatz	Gutknecht	McEachern	Rodriguez, F.	Valento
Boo	Halberg	McKasy	Rose	Vellenga
Brinkman	Haukoos	Metzen	St. Onge	Voss
Burger	Hoffman	Munger	Sarna	Waltman
Carlson, L.	Hokr	Murphy	Schafer	Welch
Clark, J.	Jacobs	Nelson, D.	Scheid	Welker
Clark, K.	Jennings	Neuenschwander	Schreiber	Welle
Clawson	Jensen	Norton	Seaberg	Wenzel
Cohen	Johnson	O'Connor	Segal	Wigley
Coleman	Kahn	Ogren	Shaver	Wynia
DenOuden	Kalis	Omman	Shea	Zaffke
Dimler	Kelly	Onnen	Sherman	Speaker Sieben
Elioff	Knuth	Otis	Simoneau	
Ellingson	Kostohryz	Pauly	Skoglund	
Erickson	Krueger	Peterson	Solberg	
Evans	Kvam	Piepho	Sparby	

The bill was passed and its title agreed to.

H. F. No. 2099 was reported to the House.

There being no objection H. F. No. 2099 was temporarily laid over on Special Orders.

H. F. No. 2154 was reported to the House.

Clawson moved that H. F. No. 2154 be continued on Special Orders for one day. The motion prevailed.

H. F. No. 2192 was reported to the House.

Wenzel moved that H. F. No. 2192 be continued on Special Orders for one day. The motion prevailed.

H. F. No. 1406, 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.

The bill was read for the third 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.	Evans	Kostohryz	Pauly	Skoglund
Anderson, G.	Findlay	Krueger	Peterson	Solberg
Battaglia	Fjoslien	Kvam	Piepho	Sparby
Beard	Forsythe	Larsen	Piper	Sviggun
Begich	Frerichs	Levi	Price	Swanson
Bennett	Graba	Long	Quinn	Thiede
Bergstrom	Greenfield	Ludeman	Quist	Tomlinson
Bishop	Gruenes	Mann	Reif	Tunheim
Blatz	Gustafson	Marsh	Riveness	Uphus
Boo	Gutknecht	McDonald	Rodosovich	Valan
Brandl	Halberg	McKasy	Rodriguez, C.	Valento
Brinkman	Haukoos	Metzen	Rodriguez, F.	Vanasek
Burger	Heap	Minne	Rose	Vellenga
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
Cohen	Jennings	Neuenschwander	Schoenfeld	Welle
Coleman	Jensen	Norton	Schreiber	Wenzel
Dempsey	Johnson	O'Connor	Seaberg	Wigley
DenOuden	Kahn	Ogren	Segal	Zaffke
Dimler	Kalis	Olson	Shaver	Speaker Sieben
Elioff	Kelly	Omann	Shea	
Ellingson	Knickerbocker	Onnen	Sherman	
Erickson	Knuth	Osthoff	Simoneau	

The bill was passed and its title agreed to.

H. F. No. 1578 was reported to the House.

Solberg moved that H. F. No. 1578 be continued on Special Orders for one day. The motion prevailed.

H. F. No. 1982, A bill for an act relating to towns; authorizing contributions to certain organizations; amending Minnesota Statutes 1982, section 365.10.

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

The question was taken on the passage of the bill and the roll was called. There were 120 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Carlson, D.	Ellingson	Haukoos	Knickerbocker
Anderson, G.	Carlson, L.	Erickson	Heap	Knuth
Beard	Clark, J.	Evans	Himle	Kostohryz
Begich	Clark, K.	Findlay	Hoffman	Krueger
Bennett	Clawson	Fjoslien	Hokr	Kvam
Bergstrom	Cohen	Forsythe	Jacobs	Levi
Bishop	Coleman	Graba	Jennings	Long
Blatz	Dempsey	Greenfield	Jensen	Ludeman
Boo	DenOuden	Gruenes	Johnson	Mann
Brandl	Dimler	Gustafson	Kahn	Marsh
Brinkman	Eken	Gutknecht	Kalis	McDonald
Burger	Elioff	Halberg	Kelly	McKasy

Metzen	Onnen	Rodosovich	Shaver	Valento
Minne	Osthoff	Rodriguez, C.	Shea	Vanasek
Munger	Otis	Rodriguez, F.	Sherman	Vellenga
Murphy	Pauly	Rose	Simoneau	Voss
Nelson, D.	Peterson	St. Onge	Skoglund	Waltman
Nelson, K.	Piepho	Sarna	Solberg	Welch
Neuenschwander	Piper	Schafer	Sparby	Welker
Norton	Price	Scheid	Swiggum	Welle
O'Connor	Quinn	Schoenfeld	Swanson	Wenzel
Ogren	Quist	Schreiber	Thiede	Wynia
Olsen	Redalen	Seaberg	Tunheim	Zaifke
Omann	Rice	Segal	Uphus	Speaker Sieben.

The bill was passed and its title agreed to.

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 third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 118 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Findlay	Knuth	Osthoff	Simoncau
Battaglia	Fjoslien	Kostohryz	Otis	Skoglund
Beard	Forsythe	Krueger	Pauly	Solberg
Begich	Frerichs	Larsen	Peterson	Sparby
Bennett	Graba	Levi	Piepho	Swiggum
Bergstrom	Greenfield	Long	Piper	Swanson
Bishop	Gruenes	Ludeman	Price	Thiede
Blatz	Gustafson	Mann	Quinn	Tomlinson
Brandl	Gutknecht	Marsh	Quist	Tunheim
Brinkman	Halberg	McDonald	Redalen	Uphus
Burger	Haukoos	McKasy	Reif	Valento
Carlson, D.	Heap	Metzen	Rodosovich	Vanasek
Carlson, L.	Heinitz	Minne	Rodriguez, C.	Vellenga
Clark, J.	Himle	Munger	Rodriguez, F.	Voss
Clark, K.	Hoffman	Murphy	Rose	Waltman
Cohen	Hokr	Nelson, D.	St. Onge	Welch
Coleman	Jacobs	Nelson, K.	Sarna	Welker
Dempsey	Jennings	Neuenschwander	Schafer	Welle
DenOuden	Jensen	Norton	Schoenfeld	Wenzel
Dimler	Johnson	O'Connor	Schreiber	Wynia
Elioff	Kahn	Ogren	Segal	Zaifke
Ehlingson	Kalis	Olsen	Shaver	Speaker Sieben
Erickson	Kelly	Omann	Shea	
Evans	Knickerbocker	Onnen	Sherman	

The bill was passed and its title agreed to.

H. F. No. 1977 which was temporarily laid over earlier today was again reported to the House.

Brandl moved to amend H. F. No. 1977, the first engrossment, as follows:

Page 1, after line 8, insert:

"Section 1. Minnesota Statutes 1983 Supplement, section 256.871, subdivision 7, is amended to read:

Subd. 7. [AUTHORITY OF THE COMMISSIONER.] The commissioner is *hereby* authorized, subject to the provisions of chapter 14, to promulgate *permanent* rules and *may promulgate temporary rules* not inconsistent with this section as necessary to qualify for maximum federal funds *to implement sections 256.72 to 256.871.*"

Renumber the sections

Page 2, after line 3, insert:

"Sec. 4. [EFFECTIVE DATE.]

Section 1 is effective the day following final enactment."

Amend the title as follows:

Page 1, line 6, before the period insert "; Minnesota Statutes 1983 Supplement, section 256.871, subdivision 7"

The motion prevailed and the amendment was adopted.

Knickerbocker moved to amend H. F. No. 1977, the first engrossment, as amended, as follows:

Page 1, after line 19, insert:

"Sec. 3. Minnesota Statutes 1983 Supplement, section 256.967, is amended to read:

256.967 [MEDICAL CARE PAYMENTS; LIMITATIONS ON FEES.]

(FOR THE BIENNIUM ENDING JUNE 30, 1985,) All payments for vendors of medical care under general assistance medical care (SHALL BE BASED UPON THIS STANDARD: THE 50TH PERCENTILE OF USUAL AND CUSTOMARY FEES BASED UPON MEDICAL ASSISTANCE BILLINGS DURING CALENDAR YEAR 1978.), and all payments for vendors of medical care under medical assistance shall be (LIMITED TO THE 50TH PERCENTILE OF USUAL AND CUSTOMARY FEES BASED UPON BILLINGS DURING CALENDAR YEAR 1979 FOR PHYSICIAN SERVICES, DENTAL CARE, VISION CARE, PODIATRIC SERVICES, CHIROPRACTIC CARE, PHYSICAL THERAPY, OCCUPATIONAL THERAPY, SPEECH PATHOLOGISTS, AUDIOLOGISTS, MENTAL

HEALTH CENTERS, PSYCHOLOGISTS, PUBLIC HEALTH CLINICS, AND INDEPENDENT LABORATORY AND XRAY SERVICES) *the lowest of the following:*

- (1) *the actual charge billed for the service;*
- (2) *the median of the charges billed by that practitioner for a given service derived from claims processed during the calendar year preceding the fiscal year in which the determination is made of the amount to be paid the individual practitioner for the billing; or*
- (3) *as to a provider for whom a median charge has not been established under clause (2), the median charge under clause (2) for all practitioners performing that service."*

Page 2, after line 3, insert:

"Sec. 5. [EFFECTIVE DATE.]

Section 2 is effective July 1, 1985."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, after the semicolon insert "limiting certain medical care payments;"

Page 1, line 6, after the semicolon insert "256.967;"

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 53 yeas and 64 nays as follows:

Those who voted in the affirmative were:

Bennett	Fjoslien	Johnson	Omann	Sherman
Bishop	Forsythe	Knickerbocker	Onnen	Sviggum
Blatz	Frerichs	Krueger	Pauly	Thiede
Boo	Gruenes	Kvam	Piepho	Uphus
Burger	Gutknecht	Levi	Quist	Valan
Dempsey	Halberg	Ludeman	Reif	Valento
DenOuden	Haukoos	Marsh	Rose	Waltman
Dimler	Heap	McDonald	Schafer	Welker
Erickson	Heinitz	McEachern	Schreiber	Wigley
Evans	Himle	McKasy	Seaberg	
Findlay	Jennings	Olsen	Shaver	

Those who voted in the negative were:

Anderson, B.	Beard	Brandl	Clark, J.	Coleman
Anderson, G.	Begich	Brinkman	Clark, K.	Eken
Battaglia	Bergstrom	Carlson, L.	Clawson	Elioff

Ellingson	Long	Ogren	Sarna	Tomlinson
Graba	Metzen	Osthoff	Schoenfeld	Tunheim
Greenfield	Minne	Otis	Segal	Vanasek
Gustafson	Munger	Peterson	Shea	Vellenga
Hoffman	Murphy	Piper	Simoneau	Voss
Jacobs	Nelson, D.	Price	Skoglund	Welch
Jensen	Nelson, K.	Quinn	Solberg	Welle
Kelly	Neuenschwander	Rice	Sparby	Wenzel
Kostofryz	Norton	Rodriguez, F.	Staten	Wynia
Larsen	O'Connor	St. Onge	Swanson	

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

Johnson moved to amend H. F. No. 1977, the first engrossment, as amended, as follows:

Page 1, after line 8, insert:

"Section 1. Minnesota Statutes 1982, section 256.871, subdivision 4, is amended to read:

Subd. 4. [EMERGENCY DEFINED.]

Until the commissioner otherwise defines the term "emergency by rule," an emergency shall be a sudden or unexpected occurrence which could not have been foreseen by the applicant and is not in the applicant's control. Emergencies which create the need for such assistance include natural disasters such as floods, fires, or storm; civil disorders, strikes, illness, accident, death, eviction from shelter, migrant families in necessitous circumstances, or other crises, as defined by the commissioner, in accordance with directives of the United States secretary of health, education, and welfare."

Page 2, after line 3, insert:

"Sections 1 and 2 are effective the day following final enactment."

Renumber the sections accordingly

Amend the title accordingly

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

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; Minnesota Statutes 1983 Supplement, section 256.871, subdivision 7.

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

The question was taken on the passage of the bill and the roll was called. There were 123 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Erickson	Kostohryz	Otis	Skoglund
Anderson, C.	Evans	Krueger	Pauly	Solberg
Battaglia	Findlay	Kvam	Peterson	Sparby
Beard	Fjoslien	Larsen	Piper	Staten
Begich	Forsythe	Levi	Price	Swiggum
Bennett	Frerichs	Long	Quinn	Swanson
Bergstrom	Graba	Ludeman	Quist	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	Minne	Rose	Vellenga
Carlson, L.	Himle	Munger	St. Onge	Voss
Clark, J.	Hoffman	Murphy	Sarna	Waltman
Clark, K.	Hokr	Nelson, D.	Schafer	Welch
Clawson	Jacobs	Nelson, K.	Scheid	Welker
Cohen	Jennings	Neuenschwander	Schoenfeld	Welle
Coleman	Jensen	Norton	Schreiber	Wenzel
DenOuden	Johnson	O'Connor	Seaberg	Wynia
Dimler	Kahn	Ogren	Segal	Zaffke
Eken	Kelly	Omman	Shaver	Speaker Sieben
Elioff	Knickerbocker	Onnen	Sherman	
Ellingson	Knuth	Osthoff	Simoneau	

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

H. F. No. 1865 was reported to the House.

Battaglia moved that H. F. No. 1865 be continued on Special Orders for one day. The motion prevailed.

H. F. No. 2098, A bill for an act relating to public welfare; requiring financial statements by providers of continuing care facilities; allowing residents to form associations; revising procedures for determining operating cost payment rates for nursing homes; appropriating money; amending Minnesota Statutes 1982, sections 144.072; 256B.25; and 256D.06, by adding a subdivision; Minnesota Statutes 1983 Supplement, sections 45.16, subdivision 2; 144A.071, subdivision 2; 144A.31, subdivision 4; 256B.421, subdivisions 2, 5, and 8; 256B.431, subdivisions 1, 2, 4, 5, and by adding a subdivision; 256B.48, subdivision 1; 256B.50; proposing new law coded in Minnesota Statutes, chapters 80D; 144; and 256B.

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

The bill was passed and its title agreed to.

S. F. No. 1732, 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; 53.04, subdivision 1, and by adding a subdivision; 56.131, subdivision 2; 82.24, subdivisions 1, 2, and 6; Minnesota Statutes 1983 Supplement, sections 53.04, subdivision 3a; and 53.05; proposing new law coded in Minnesota Statutes, chapter 56.

The bill was read for the third 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:

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

The bill was passed and its title agreed to.

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 third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 112 yeas and 14 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Carlson, L.	Greenfield	Kalis	Metzen
Anderson, G.	Clark, J.	Gruenes	Kelly	Minne
Anderson, R.	Clark, K.	Gustafson	Knickerbocker	Munger
Battaglia	Clawson	Gutknecht	Knuth	Murphy
Beard	Cohen	Halberg	Kostohryz	Nelson, D.
Begich	Coleman	Haukoos	Krueger	Nelson, K.
Bennett	Dempsey	Heap	Kvam	Neuenschwander
Bergstrom	Eken	Heinitz	Larsen	Norton
Bishop	Elioff	Hokr	Levi	O'Connor
Blatz	Ellingson	Jacobs	Long	Ogren
Boo	Evans	Jennings	Mann	Olsen
Brandl	Findlay	Jensen	Marsh	Onnen
Brinkman	Fjoslien	Johnson	McEachern	Osthoff
Burger	Forsythe	Kahn	McKasy	Pauly

Peterson	Rodosovich	Segal	Swanson	Waltman
Piepho	Rodriguez, C.	Shaver	Tomlinson	Welch
Piper	Rodriguez, F.	Shea	Tunheim	Welle
Price	Rose	Sherman	Uphus	Wenzel
Quinn	St. Onge	Simoneau	Valan	Wigley
Redalen	Sarna	Skoglund	Valento	Speaker Sieben
Reif	Scheid	Solberg	Vanasek	
Rice	Schoenfeld	Sparby	Vellenga	
Riveness	Seaberg	Staten	Voss	

Those who voted in the negative were:

DenOuden	Frerichs	McDonald	Schafer	Welker
Dimler	Himle	Omann	Sviggum	Zaffke
Erickson	Ludeman	Quist	Thiede	

The bill was passed and its title agreed to.

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 sub-division.

The bill was read for the third 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.	Erickson	Krueger	Pauly	Solberg
Anderson, G.	Evans	Kvam	Peterson	Sparby
Anderson, R.	Findlay	Larsen	Piepho	Staten
Battaglia	Fjoslien	Levi	Piper	Sviggum
Beard	Frerichs	Ludeman	Price	Swanson
Begich	Graba	Mann	Quist	Thiede
Bennett	Greenfield	Marsh	Reif	Tomlinson
Bergstrom	Gruenes	McDonald	Rice	Tunheim
Bishop	Gustafson	McEachern	Riveness	Uphus
Boo	Halberg	McKasy	Rodosovich	Valento
Brandl	Haukoos	Metzen	Rodriguez, C.	Vanasek
Brinkman	Heap	Minne	Rodriguez, F.	Vellenga
Burger	Heinitz	Munger	Rose	Voss
Carlson, D.	Himle	Murphy	St. Onge	Waltman
Carlson, L.	Hoffman	Nelson, D.	Schafer	Welch
Clark, J.	Jacobs	Nelson, K.	Scheid	Welle
Clark, K.	Jennings	Neuenschwander	Schoenfeld	Wenzel
Clawson	Jensen	O'Connor	Schreiber	Wigley
Cohen	Johnson	Ogren	Seaberg	Wynia
Coleman	Kahn	Olsen	Segal	Zaffke
Dimler	Kelly	Omann	Shaver	Speaker Sieben
Eken	Knickerbocker	Onnen	Shea	
Elioff	Kostohryz	Otis	Simoneau	

Those who voted in the negative were:

Dempsey	Ellingson	Forsythe	Sherman	Welker
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The bill was passed and its title agreed to.

S. F. No. 1403 was reported to the House.

St. Onge moved to amend S. F. No. 1403, as follows:

Page 1, after line 17, insert:

"Sec. 2. Minnesota Statutes 1982, section 114B.03, subdivision 1, is amended to read:

Subdivision 1. [EXISTING PLAN CONFIRMED; MINIMUM STANDARDS.] The comprehensive land use plan prepared by the board and approved by resolution adopted on February 12, 1981, shall be the comprehensive land use plan authorized by section 114B.02, subdivision 2, and shall be implemented by the board as provided in this section and section 114B.04. The counties shall adopt land use ordinances consistent with the comprehensive land use plan of the board. The standards set forth in the plan are the minimum standards which may be adopted by the board and by the counties for the protection and enhancement of the natural, scientific, historical, recreational and cultural values of the Mississippi River and related shoreland areas subject to the plan. Except for forest management, fish and wildlife habitat improvement, and open space recreational uses as defined in the plan, no state or county lands within the boundaries established by the plan shall be offered for public sale or lease. The board *with the agreement, expressed by resolution adopted after public hearing, of the county boards of Clearwater, Hubbard, Beltrami, Cass, Itasca, Aitkin, Crow Wing, and Morrison counties* may amend the plan in any way that does not reduce the minimum standards set forth in the plan approved on February 12, 1981."

Amend the title as follows:

Page 1, line 4, after "board;" insert "amending Minnesota Statutes 1982, section 114B.03, subdivision 1;"

The motion prevailed and the amendment was adopted.

S. F. No. 1403, A bill for an act relating to 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 third time, as amended, and placed upon its final passage.

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

Those who voted in the affirmative were:

Anderson, B.	Evans	Kostohryz	Otis	Sherman
Anderson, G.	Findlay	Krueger	Pauly	Simoneau
Battaglia	Fjoslien	Kvam	Peterson	Skoglund
Beard	Forsythe	Larsen	Piepho	Solberg
Begich	Frerichs	Levi	Piper	Sparby
Bennett	Graba	Long	Price	Staten
Bergstrom	Greenfield	Ludeman	Quinn	Sviggen
Bishop	Gruenes	Mann	Quist	Swanson
Blatz	Gustafson	Marsh	Redalen	Thiede
Boo	Gutknecht	McDonald	Reif	Tomlinson
Brandl	Halberg	McEachern	Rice	Tunheim
Brinkman	Haukoos	McKasy	Riveness	Uphus
Burger	Heap	Metzen	Rodosovich	Valan
Carlson, D.	Heinitz	Minne	Rodriguez, C.	Valento
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	Scheid	Welle
Dempsey	Johnson	O'Connor	Schoenfeld	Wenzel
DenOuden	Kahn	Ogren	Schreiber	Wynia
Dimler	Kalis	Olsen	Seaberg	Zaffke
Elioff	Kelly	Omman	Segal	Speaker Sieben
Ellingson	Knickerbocker	Onnen	Shaver	
Erickson	Knuth	Osthoff	Shea	

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

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 third 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.	Boo	Dempsey	Fjoslien	Heap
Anderson, G.	Brandl	DenOuden	Forsythe	Heinitz
Battaglia	Brinkman	Dimler	Graba	Hoffman
Beard	Burger	Eken	Greenfield	Hokr
Begich	Carlson, L.	Elioff	Gruenes	Jacobs
Bennett	Clark, J.	Ellingson	Gustafson	Jensen
Bergstrom	Clawson	Erickson	Gutknecht	Johnson
Bishop	Cohen	Evans	Halberg	Kahn
Blatz	Coleman	Findlay	Haukoos	Kalis

Kelly	Minne	Piper	Schoenfeld	Tunheim
Knickerbocker	Munger	Price	Schreiber	Uphus
Knuth	Murphy	Quinn	Seaberg	Valan
Kostohryz	Nelson, D.	Quist	Segal	Valento
Krueger	Nelson, K.	Redalen	Shaver	Vanasek
Kvam	Neuenschwander	Reif	Shea	Vellenga
Larsen	Norton	Rice	Sherman	Voss
Levi	O'Connor	Riveness	Simoneau	Waltman
Long	Ogren	Rodosovich	Skoglund	Welch
Ludeman	Olsen	Rodriguez, C.	Solberg	Welker
Mann	Omann	Rodriguez, F.	Sparby	Welle
Marsh	Onnen	Rose	Staten	Wenzel
McDonald	Osthoff	St. Onge	Sviggum	Wynia
McEachern	Otis	Sarna	Swanson	Zaffke
McKasy	Pauly	Schafer	Thiede	Speaker Sieben
Metzen	Peterson	Scheid	Tomlinson	

The bill was passed and its title agreed to.

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

The bill was passed and its title agreed to.

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

The bill was passed and its title agreed to.

S. F. No. 1954 was reported to the House.

Welle moved to amend S. F. No. 1954, as follows:

Page 10, after line 20, insert:

"Sec. 19. 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. 20. 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.*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 13, after the semi-colon insert "205.175, subdivisions 1 and 3;"

The motion prevailed and the amendment was adopted.

Welle moved to amend S. F. No. 1954, as amended, as follows:

Page 3, line 13, strike "remove the ballot"

Page 3, line 14, strike everything before "mark" and strike "ballot" and insert "return"

Page 3, line 15, strike "ballot" and insert "return"

Page 4, after line 2, insert:

"Sec. 7. Minnesota Statutes 1982, section 203B.12, subdivision 3, is amended to read:

Subd. 3. [NOTATION ON *DUPLICATE* REGISTRATION CARD OR (ELECTION REGISTER) *FILE*.] If the (BALLOT) *return* envelope is marked with the word "Accepted", the election judges shall record the fact that the voter has voted by absentee ballot on the *duplicate* voter registration card or (IN THE ELECTION REGISTER IN PRECINCTS WITH NO PERMANENT VOTER REGISTRATION) *file*. This shall be done by placing the letters "A.B." in the appropriate space on the *duplicate* card or (REGISTER) *file*. After a registration card or (ELECTION REGISTER) *file* has been marked to record that an individual has voted by absentee ballot, the individual shall not be allowed to vote in person at that election.

Sec. 8. Minnesota Statutes 1982, section 203B.12, subdivision 4, is amended to read:

Subd. 4. [PLACEMENT IN CONTAINER; OPENING AND COUNTING OF BALLOTS.] The ballot envelopes *from return envelopes* marked "Accepted" shall be placed by the election judges in a separate absentee ballot container. The container and each ballot envelope may be opened only after the last regular mail delivery by the United States postal service on election day. The ballots shall then be initialled by the election judges in the same manner as ballots delivered by them to voters in person and shall be deposited in the appropriate ballot box.

If more than one ballot of any kind is enclosed in the ballot envelope, none of the ballots of that kind shall be counted but all ballots of that kind shall be returned in the manner provided by section 204C.25 for return of spoiled ballots.

Sec. 9. Minnesota Statutes 1982, section 203B.12, subdivision 6, is amended to read:

Subd. 6. [EXCEPTION FOR MUNICIPALITIES WITH ABSENTEE BALLOT COUNTING BOARDS.] In municipalities with an absentee ballot counting board, the election judges in each precinct shall receive and process return envelopes and ballot envelopes as provided in this section except that the ballot envelopes *from return envelopes* marked "Accepted" shall be delivered in an absentee ballot container to the absentee ballot counting board for the counting of ballots as soon as possible after processing. Other law to the contrary notwithstanding, the governing body of a municipality with an absentee ballot precinct may authorize the judges of the absentee ballot precinct to validate ballots in the manner provided in this section. The vote totals provided by the absentee ballot counting board shall be included in the vote totals on the summary statements of the returns for the precinct in which they were received."

Renumber the remaining sections in sequence

Amend the title as follows:

Page 1, line 6, before "204B.27" insert "203B.12, subdivisions 3, 4, and 6;"

The motion prevailed and the amendment was adopted.

Jennings and Halberg moved to amend S. F. No. 1954, as amended, as follows:

Page 12, after line 5, insert:

"Sec. 21. [ELIMINATION OF PARTY DESIGNATION.]

Other law to the contrary notwithstanding, beginning with the elections in 1986, all primary, general, municipal, special, and other elections in Minnesota must be conducted without any designation on ballots or campaign materials of the party affiliation of any candidate except those offices of Governor, Lieutenant Governor, Secretary of State, Auditor, Treasurer and Attorney General."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 1, after the semicolon insert "eliminating designation of candidates' parties in conduct of all elections;"

A roll call was requested and properly seconded.

Osthoff moved to amend the Jennings and Halberg amendment to S. F. No. 1954, as follows:

Line 6 of the Jennings amendment delete "*without any*" and insert "*with*"

Line 7 of the Jennings amendment delete "*or*" and insert "*and*".

A roll call was requested and properly seconded.

CALL OF THE HOUSE

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

Anderson, G.	Dimler	Hoffman	McEachern	Quist
Battaglia	Eken	Hokr	McKasy	Redalen
Beard	Elioff	Jacobs	Metzen	Reif
Begich	Ellingson	Jennings	Minne	Riveness
Bennett	Erickson	Jensen	Murphy	Rodosovich
Bergstrom	Evans	Johnson	Nelson, D.	Rodriguez, C.
Bishop	Findlay	Kalis	Neuenschwander	Rodriguez, F.
Blatz	Fjoslien	Kelly	O'Connor	Rose
Boo	Frerichs	Knickerbocker	Ogren	St. Onge
Brandl	Graba	Knuth	Olsen	Sarna
Brinkman	Greenfield	Kostohryz	Omann	Schafer
Burger	Gruenes	Krueger	Osthoff	Scheid
Carlson, L.	Gustafson	Kvam	Otis	Schoenfeld
Clark, J.	Gutknecht	Larsen	Pauly	Schreiber
Clark, K.	Halberg	Levi	Peterson	Seaberg
Cohen	Haukoos	Ludeman	Piepho	Segal
Coleman	Heap	Mann	Piper	Shaver
Dempsey	Heinitz	Marsh	Price	Shea
DenOuden	Himle	McDonald	Quinn	Sherman

Simoneau	Staten	Uphus	Voss	Welle
Skoglund	Sviggum	Valan	Waltman	Wenzel
Solberg	Thiede	Valento	Welch	Wigley
Sparby	Tunheim	Vanasek	Welker	Zaffke

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 Osthoff amendment to the Jennings and Halberg amendment to S. F. No. 1954, and the roll was called.

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

There were 58 yeas and 62 nays as follows:

Those who voted in the affirmative were:

Battaglia	Ellingson	Metzen	Piper	Sparby
Beard	Greenfield	Minne	Price	Staten
Begich	Gustafson	Munger	Quinn	Swanson
Bergstrom	Jacobs	Murphy	Riveness	Tunheim
Brandl	Jensen	Nelson, D.	Rodriguez, F.	Vanasek
Brinkman	Kalis	Nelson, K.	St. Onge	Voss
Carlson, L.	Kelly	Norton	Sarna	Welch
Clark, J.	Knuth	O'Connor	Scheid	Welle
Clark, K.	Kostohryz	Ogren	Segal	Wenzel
Coleman	Larsen	Osthoff	Simoneau	Speaker Sieben
Eken	Mann	Otis	Skoglund	
Elioff	McEachern	Peterson	Solberg	

Those who voted in the negative were:

Anderson, G.	Findlay	Jennings	Pauly	Sherman
Bennett	Fjoslien	Knickerbocker	Piepho	Sviggum
Bishop	Frerichs	Krueger	Quist	Thiede
Blatz	Graba	Kvam	Redalen	Uphus
Boo	Gruenes	Levi	Reif	Valan
Burger	Gutknecht	Ludeman	Rodosovich	Valento
Carlson, D.	Halberg	Marsh	Rose	Waltman
Cohen	Haukoos	McDonald	Schafer	Welker
Dempeey	Heap	McKasy	Schoenfeld	Wigley
DenOuden	Heinitz	Neuenschwander	Schreiber	Zaffke
Dimler	Himle	Olsen	Seaberg	
Erickson	Hoffman	Omann	Shaver	
Evans	Hokr	Onnen	Shea	

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

Price moved to lay the Jennings amendment to S. F. No. 1954, on the table.

A roll call was requested and properly seconded.

The question was taken on the Price motion and the roll was called.

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

There were 73 yeas and 53 nays as follows:

Those who voted in the affirmative were:

Anderson, C.	Elioff	Mann	Piper	Sparby
Battaglia	Ellingson	McEachern	Price	Staten
Beard	Graba	Metzen	Quinn	Swanson
Begich	Greenfield	Minne	Riverness	Tomlinson
Bergstrom	Gustafson	Munger	Rodosovich	Tunheim
Brandl	Hoffman	Murphy	Rodriguez, C.	Vanasek
Brinkman	Jacobs	Nelson, D.	Rodriguez, F.	Vellenga
Carlson, D.	Jensen	Nelson, K.	Sarna	Voss
Carlson, L.	Kalis	Neuenschwander	Scheid	Welch
Clark, J.	Kelly	Norton	Schoenfeld	Welle
Clark, K.	Knuth	O'Connor	Seaberg	Wenzel
Clawson	Kostohryz	Ogren	Segal	Wynia
Cohen	Krueger	Osthoff	Simoneau	Speaker Sieben
Coleman	Larsen	Otis	Skoglund	
Eken	Long	Peterson	Solberg	

Those who voted in the negative were:

Anderson, R.	Fjoslien	Jennings	Onnen	Sviggum
Bennett	Forsythe	Johnson	Pauly	Thiede
Blatz	Frerichs	Knickerbocker	Piepho	Uphus
Boo	Gruenes	Kvam	Quist	Valan
Burger	Cutknecht	Levi	Reif	Valento
Dempsey	Halberg	Ludeman	Rose	Waltman
DenOuden	Haukoos	Marsh	Schafer	Welker
Dimler	Heap	McDonald	Schreiber	Wigley
Erickson	Heinitz	McKasy	Shaver	Zaffke
Evans	Himle	Olsen	Shea	
Findlay	Hokr	Omann	Sherman	

The motion prevailed and the Jennings and Halberg amendment to S. F. No. 1954, was laid on the table.

The Speaker resumed the Chair.

S. F. No. 1954, 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; 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 third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 127 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Findlay	Krueger	Pauly	Solberg
Anderson, R.	Fjoslien	Kvam	Peterson	Sparby
Battaglia	Forsythe	Larsen	Piepho	Staten
Beard	Frerichs	Levi	Piper	Sviggum
Begich	Graba	Long	Price	Swanson
Bennett	Greenfield	Ludeman	Quinn	Thiede
Bergstrom	Gruenes	Mann	Quist	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	Minne	Rose	Vellenga
Carlson, D.	Himle	Munger	St. Onge	Voss
Carlson, L.	Hoffman	Murphy	Sarna	Waltman
Clark, J.	Hokr	Nelson, D.	Schafer	Welch
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	Shea	Speaker Sieben
Ellingson	Knickerbocker	Onnen	Sherman	
Erickson	Knuth	Osthoff	Simoneau	
Evans	Kostohryz	Otis	Skoglund	

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

MOTIONS FOR RECONSIDERATION

Osthoff and Rose moved that the vote whereby H. F. No. 1686 was passed earlier today be now reconsidered. The motion prevailed.

Osthoff and Rose moved that the third reading of H. F. No. 1686 be now reconsidered. The motion prevailed.

H. F. No. 1686 was reported to the House.

There being no objection H. F. No. 1686 was temporarily laid over.

The following conference committee report was received:

CONFERENCE COMMITTEE REPORT ON 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 condi-

tions; 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.

April 18, 1984

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

The Honorable Jerome M. Hughes
President of the Senate

We, the undersigned conferees for H. F. No. 2314, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment and that H. F. No. 2314 be further amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. [CAPITAL IMPROVEMENTS; APPROPRIATIONS.]

The sums set forth in the column designated “APPROPRIATIONS” are appropriated from the state building fund, or any other fund designated, to the state agencies indicated, to be expended to acquire and to better public land and buildings and other public improvements of a capital nature, as more specifically described in the following sections of this act.

SUMMARY

SUPREME COURT	\$ 400,000
ADMINISTRATION	12,959,500
CAPITOL AREA ARCHITECTURAL AND PLANNING BOARD	1,700,000
NATURAL RESOURCES	3,966,700
IRON RANGE RESOURCES AND REHABILITATION BOARD	1,120,000
ZOOLOGICAL BOARD	225,000

POLLUTION CONTROL AGENCY	12,000,000
ENERGY AND ECONOMIC DEVELOPMENT	1,400,000
MILITARY AFFAIRS	1,183,500
VETERANS AFFAIRS	103,100
TRANSPORTATION	23,207,700
MINNESOTA HISTORICAL SOCIETY	3,600,000
VOCATIONAL TECHNICAL EDUCATION	10,057,600
COMMUNITY COLLEGES	25,038,400
STATE UNIVERSITIES	19,505,000
UNIVERSITY OF MINNESOTA	57,981,000
CORRECTIONS	2,598,900
PUBLIC WELFARE	4,730,400
BOND SALE EXPENSES	153,000
INTEREST RATE REDUCTION EXPENSE	7,230,000
TOTAL	\$189,159,800
General Fund	24,437,300
Game and Fish Fund	31,400
Special Revenue Fund	100,000
Trunk Highway Fund	9,052,700
Transportation Fund	16,000,000
Building Fund	139,538,400
APPROPRIATION REDUCTIONS	(\$280,408,000)
APPROPRIATIONS	

Sec. 2. SUPREME COURT

Judicial Building Design Competition	\$400,000
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This appropriation is to the commissioner of administration, in consultation with the supreme court and the capitol area architectural and planning board, for preliminary planning and design competition for a judicial building that will utilize the existing historical society building and the site currently occupied by the mechanic arts high school gymnasium.

\$200,000 of this appropriation is from the general fund. The design competition must include a challenge to the competitors for maximum use of the existing historical society building. The design for reuse of that building, new construction, landscaping, and improving this site must not produce a total project cost that exceeds \$36,000,000.

The plans shall not involve the demolition of the existing mechanic arts high school main building.

Sec. 3. ADMINISTRATION

Subdivision 1. To the commissioner of administration for the purposes more specifically described in the following subdivisions of this section

12,959,500

Subd. 2. Supplemental or prior commitments

2,133,400

The appropriations in this subdivision are from the general fund.

(a) Remodel central motor pool building for life safety

40,200

(b) Remove and replace PCB equipment statewide, phase I

1,086,100

This appropriation, combined with the balance remaining from the appropriation in Laws 1983, chapter 344, section 2, clause (a), shall be used to replace or retrofill PCB contaminated equipment in the priority order established in the remedial action plan.

(c) Remove or contain asbestos in state buildings, phase I 1,007,100

This appropriation shall be used to remove or encapsulate asbestos-containing materials which have been identified as constituting risk factor 5 in the evaluation study dated January, 1984, and its supplement, and risk factor 4 to the extent funds permit.

Subd. 3. Facility integrity and life safety 2,302,500

The appropriations in this subdivision are from the general fund, except that items (a) (b) are from the trunk highway fund and item (h) is from the special revenue fund.

(a) Renovate mechanical and electrical systems in the transportation building and laboratory 1,500,000

None of this appropriation shall be expended on the mechanical and electrical system in the transportation building until a study of the system is completed and the findings reported to the chairmen of the house appropriations and senate finance committees. Expenditures on the laboratory may proceed without the study.

(b) Provide fire code required venting, enclosed lobbies, and electric generator for transportation building 254,000

(c) Renovate laboratory ventilation system in health building 141,900

(d) Construct hazardous material storage facility and outside receiving facility at health building 110,500

(e) General purpose remodeling contingency

This contingency totaling \$550,000 is established from unexpended balances remaining in building fund accounts as itemized in committee workpapers.

This appropriation is available for individual project expenditure after consultation with the chairmen of the house appropriations and senate finance committees.

(f) Reset west entrance to Centennial building	136,500
(g) Install fire, smoke, and emergency warning system in Veterans Service building	59,600
(h) Seal coat Centennial parking ramp floors	100,000

This appropriation is from the account established in section 16.72, subdivision 7. Future sealcoating and routine maintenance projects shall be financed from the parking fees established pursuant to section 16.72.

Subd. 4. Energy conservation 1,992,600

(a) Energy conservation projects that have an estimated payback in energy savings in five years or less	1,897,400
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Of this appropriation, \$1,775,000 is from the state building fund, \$31,400 is from the game and fish fund, and \$91,000 is from the trunk highway fund.

The construction paid for from this appropriation shall meet or exceed the interim and final energy conservation performance standards and guidelines for new commercial buildings promulgated by the United States secretary of energy under the Energy Conservation Standards for New Buildings Act of 1976, as amended, United States Code, title 33, section 6833.

(b) Modify and connect the Ford building heating system for district heating	95,200
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Subd. 5. Program improvement and expansion 6,531,000

(a) Provide access for the handicapped to state buildings statewide	2,000,000
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- (b) Prepare a program and feasibility study of a combined services facility 100,000

This study shall assess the feasibility of and including the information services bureau in the new facility.

- (c) Remodel third floor of Centennial building 1,500,000

This appropriation may not be expended unless a report is submitted to the chairmen of the house appropriations and senate finance committees by October 1, 1984; a preliminary report is requested August 1, 1984. The report shall include a plan for improvements in the handling and flow of tax documents within the department of revenue, including improved coordination and automation of the mailroom, data entry, and cashier functions. The report shall also include the proposed layout for the remodeled space.

- (d) Construct Brainerd services center 2,831,000

This appropriation shall establish a consolidated government services center at the community college site in Brainerd. The center is intended to include at least the local activities of the state departments of agriculture, labor and industry and corrections; the pollution control agency; and the consolidated programs of the department of natural resources.

- (e) Prepare plans for renovation of mechanic arts high school building 100,000

This appropriation is to plan for the renovation of the mechanic arts high school building, excluding the gymnasium, to provide state agency office space. The preliminary plans for renovation must be reviewed by the capitol area architectural and planning board pursuant to Minnesota Statutes, section 15.50, subdivision 2.

- (f) Land acquisition

By January 15, 1985, the commissioner shall present to the chairmen of the house

appropriations and senate finance committees a report proposing criteria by which land located in or near the Capitol complex would be assessed as favorable for acquisition. In proposing these criteria, the commissioner shall consider including such factors as effects on property taxes, proposed programmatic uses, and specific geographical boundaries.

(g) Building project balances

The commissioner is directed to report to the chairmen of the house appropriations and senate finance committees by January 15 of each fiscal year. The report shall list each building project balance which was authorized more than four years earlier, its current status, whether any activity occurred during the year, and the commissioner's recommendation and rationale for continuance. The report shall also include those balances, and associated projects, which were canceled administratively during the previous 12 month period.

Sec. 4. CAPITOL AREA ARCHITECTURAL AND PLANNING BOARD

To the commissioner of administration for the purposes specified in this section

1,700,000

- | | |
|--|-----------|
| (a) Landscape capitol mall | 1,200,000 |
| (b) Landscape John Ireland Boulevard | 350,000 |
| (c) Preliminary engineering and design for parking facilities in the Capitol complex | 150,000 |

This appropriation is from the general fund. The general fund shall be reimbursed from the account established in Minnesota Statutes, section 16.72 as funds become available.

The commissioner of administration shall study and report to the legislature by January 1, 1985, recommendations

for increasing state employee participation in the van pool program, so that the need for new state parking facilities in the capitol area may be reduced.

The board shall seek the cooperation of the school of architecture and landscape architecture at the University of Minnesota for (a) and (b) above.

The board shall emphasize the use of plant species native to Minnesota in (a) and (b) above.

The board shall seek private contributions for the landscaping projects in (a) and (b) above. Any contributions received shall be used to reduce the cost to the state.

Sec. 5. NATURAL RESOURCES

Subdivision 1. To the commissioner of administration or the commissioner of natural resources for the purposes more specifically described in the following subdivisions of this section

3,966,700

Subd. 2. To the commissioner of administration for the purposes specified in this subdivision

680,000

(a) Complete office and storage space at Grand Rapids regional headquarters 139,000

(b) Construct seedling storage at General Andrews nursery 74,000

(c) Expand storage building at Baudette area headquarters 50,000

(d) Construct New Ulm Shop and Warehouse 317,000

(e) Plan for consolidation at the Bemidji regional office of all natural resources employees in Bemidji, Cass Lake, and Guthrie 100,000

Subd. 3. To the commissioner of natural resources to reconstruct the state-owned dam at New London

126,700

Subd. 4. To the commissioner of natural resources for the purposes specified in this subdivision 3,160,000

(a) Construct convention center and dormitory facility at Deep Portage Conservation Reserve 800,000

This appropriation is for payment to Cass County. This appropriation is available only upon a determination by the commissioner of natural resources that the additional financing necessary to complete the project has been committed by nonstate sources. Cass County shall repay \$320,000 to the state over a period of not more than ten years from the date this appropriation is paid to the county. Repayments shall be made in equal installments deposited in the state treasury and credited to the state bond fund before November 1 each year.

(b) Develop River Bend Nature Center 200,000

This appropriation is for payment to the city of Faribault. This appropriation is available only upon a determination by the commissioner of natural resources that the additional financing necessary to complete the project has been committed by nonstate sources. The city of Faribault shall repay \$80,000 to the state over a period of not more than ten years from the date this appropriation is paid to the city. Repayments shall be made in equal installments deposited in the state treasury and credited to the state bond fund before November 1 each year.

(c) Develop facilities at Long Lake Conservation Center 160,000

This appropriation is for payment to Aitkin County. This appropriation is available only upon determination by the commissioner of natural resources that the additional financing necessary to complete the project has been committed by nonstate sources. Aitkin County shall repay \$64,000 to the state over a period of not more than ten years from the date this ap-

appropriation is paid to the county. Repayments shall be made in equal installments deposited in the state treasury and credited to the state bond fund before November 1 each year.

(d) Construct Winger Dam 2,000,000

This appropriation is for payment to the Lower Red River Watershed Management Board to construct the Winger dam on the Sand Hill River, Winger township, Polk County. This appropriation is available only upon a determination by the commissioner of natural resources that the additional financing necessary to complete the project has been committed by other sources. The Lower Red River Watershed Management Board shall repay \$800,000 from its property tax receipts to the state over a period of not more than ten years from the date this appropriation is paid to the board. Repayments shall be made in equal installments deposited in the state treasury and credited to the state bond fund before November 1 each year.

Notwithstanding sections 16A.41, 16.02, or any other law to the contrary, the commissioner of natural resources may pay to the city of Lanesboro up to \$60,000 of unexpended funds that were appropriated to the commissioner under Laws 1977, chapter 421, section 12, subdivision 3, for the acquisition of trails, upon receipt of a 30 year lease from the city of Lanesboro approved by the attorney general for use of an interpretive trail center on the Root River trail.

Notwithstanding any other law to the contrary the commissioner of natural resources may use for the betterment of state trails, without a public hearing, up to \$24,081 of unexpended funds that were appropriated to the commissioner under Laws 1979, chapter 301, section 3, subdivision 1, for acquisition of state trails.

Sec. 6. IRON RANGE RESOURCES
AND REHABILITATION BOARD

1,120,000

This appropriation is for construction of an outdoor amphitheater at the Iron Range Interpretative Center at Chisholm.

The board shall repay \$448,000 to the state bond fund over a period of not more than ten years from the date this appropriation is paid to the board. Repayments shall be made in equal installments deposited in the state treasury and credited to the state bond fund before November 1 each year.

Sec. 7. ZOOLOGICAL BOARD

To the commissioner of administration for a wolf and caribou exhibit

225,000

The appropriation in this section is from the general fund.

This appropriation is available only to match contributions received from non-state sources in the amount of \$225,000. No money may be expended until the entire match has been received.

Sec. 8. ENERGY AND ECONOMIC DEVELOPMENT

Regional Solid Waste Disposal

1,400,000

This appropriation is for payment of a grant to the city of Bagley to develop a solid waste disposal, incineration, and district heating pilot project involving seven counties. The purpose of the project must be to deal with solid waste disposal as a rural problem and provide more reliable energy to the incinerator site through a district heating system. The grant may not be paid until the commisioner of energy and economic development has determined that additional financing in the amount of \$10,000,000 has been committed by other sources.

This appropriation is from the general fund.

Sec. 9. MILITARY AFFAIRS

To the adjutant general for the purposes specified in this section 1,183,500

The construction paid for from this appropriation shall meet or exceed the interim and final energy conservation performance standards and guidelines for new commercial buildings promulgated by the United States secretary of energy under the Energy Conservation Standards for New Buildings Act of 1976, as amended, United States Code, title 33, section 6833.

(a) Replace roofs statewide 362,500

(b) Replace windows or close up openings in facilities 40 years of age or older 478,000

This appropriation is from the general fund.

(c) Rehabilitate and improve armory at Austin 77,800

This appropriation is from the general fund.

(d) Rehabilitate and improve armory at 600 Cedar Street, St. Paul 265,200

This appropriation is from the general fund.

(e) \$13,000 of the appropriation made in Laws 1983, chapter 344, section 5, clause (a), for installing a heating plant at Worthington may be used to install two heating boilers at Camp Ripley.

(f) Armory Studies

Prior to expenditure of the funds contained in this section, the department shall submit to the chairmen of the house appropriations and senate finance committees an analysis of the current energy usage at the armories which are funded for improvements and the anticipated savings to be realized from these improvements.

The department of military affairs, with the assistance of the management analysis

division of administration, will provide an analysis by February 1, 1985, of the options for multiple use or time-sharing of armories. This analysis will address space and support requirements, utilization strength, maintenance, and cost of the alternatives. The engineering and architectural component of this analysis will be provided by the building code division of the department of administration.

Sec. 10. VETERANS AFFAIRS

To the commissioner of administration for the purposes specified in this section

103,100

The appropriations in this section are from the general fund.

(a) Replace roof on three buildings at veterans home—Hastings

40,100

The construction paid for from this appropriation shall meet or exceed the interim and final energy conservation performance standards and guidelines for new commercial buildings promulgated by the United States secretary of energy under the Energy Conservation Standards for New Buildings Act of 1976, as amended, United States Code, title 33, section 6833.

(b) Repair cooling system and upgrade linen room in building 16 at veterans home—Minneapolis

63,000

The commissioner shall prepare a report which presents and analyzes alternative uses, including residential use, of buildings 1 through 5 on the Minneapolis campus which are compatible with the functions and programs of the veterans home. The report shall be submitted to the chairmen of the house appropriations and senate finance committees by January 15, 1985.

Sec. 11. TRANSPORTATION

Subdivision 1. To the commissioner of transportation for the purposes more spe-

cifically described in the following subdivisions of this section 23,207,700

Subd. 2. Operating Facilities 7,207,700

The appropriations in this subdivision are from the trunk highway fund.

(a) Construct interstate rest area near Pine City 207,900

The commissioner of transportation shall not expend this appropriation until contracts have been awarded for the construction of a highway interchange at the junction of interstate highway 35 and county state aid highway 11 at Pine City.

(b) Construct addition to Oakdale district headquarters 986,000

The addition shall include office space for the state patrol, which shall relocate from rental space in Eagan; and shop and storage space for electronic communications, which shall relocate from rental space in St. Paul.

(c) Construct equipment storage building at New Ulm truck station 263,000

(d) Construct equipment storage building at Dresbach truck station 270,000

(e) Construct equipment storage building at Buffalo truck station 325,000

(f) Construct equipment storage building at Morris maintenance headquarters 900,000

This appropriation is available upon determination by the commissioner of administration that the commissioner of transportation has entered into a contract for the sale of the existing Morris maintenance equipment storage building. The contract for purchase of the existing Morris equipment storage building shall not be less than \$235,000. Funds received from the sale shall be deposited in the trunk highway fund.

- (g) Construct St. Croix interstate rest area and travel information center 292,500
- (h) Construct St. Croix weigh station 1,052,000

The commissioner of transportation shall conduct an evaluation of the feasibility of utilizing weigh in motion facilities in conjunction with the construction and operation of the St. Croix weigh station.

The commissioner of public safety shall submit a report to the legislature regarding the utilization of the weigh stations located on trunk highway 61 near Winona and on trunk highway 3 near Farmington. The commissioner shall submit the report to the chairman of house appropriations and the chairman of senate finance by January 15, 1985.

- (i) Construct interstate rest area near Mahtowa 207,900
- (j) Construct equipment storage building at Pine River truck station 238,000
- (k) Construct cold storage sheds statewide 65,000
- (l) Construct highway information center at Chisholm 200,000

None of the costs of maintaining, staffing, and operating the highway information center at the Iron Range Interpretative Center shall be paid from the trunk highway fund.

- (m) Construct rest area and travel information center near International Falls 654,400
- (n) Construct rest area and travel information center at Pigeon River 956,000
- (o) Construct equipment storage building for Chaska truck station 590,000

This appropriation is available upon determination by the commissioner of ad-

ministration that the commissioner of transportation has entered into contract for the sale of the existing Chaska equipment storage building. Funds received from the sale shall be deposited in the trunk highway fund.

Subd. 3. Interstate Substitution 4,000,000

This appropriation is from the state transportation fund to provide not to exceed one-half of the nonfederal share of right-of-way, preliminary and construction engineering, and construction costs of local projects that are paid for with interstate substitution money.

The balance of the appropriation in Laws 1981, chapter 361, section 4, subdivision 5, item (b) for interstate substitution projects may only be expended to provide not to exceed one-half of the nonfederal share of right-of-way, preliminary and construction engineering, and construction costs of local projects that are paid for with interstate substitution money.

Notwithstanding any other law to the contrary, the commissioner of transportation shall not provide funds from this appropriation for the purpose of preliminary planning, design, or construction of an intercampus bus expressway between Minneapolis and Saint Paul.

Subd. 4. Railroad Assistance 12,000,000

This appropriation is from the state transportation fund for the purposes specified in Minnesota Statutes, sections 222.49 to 222.63.

Sec. 12. MINNESOTA
HISTORICAL SOCIETY

To the Minnesota historical society for the purposes specified in this section 3,600,000

(a) Plan for construction of State History Center 400,000

This appropriation is to the capitol area architectural and planning board, for expenditure in consultation with the Minnesota Historical Society, for a design competition for a new state history center.

This appropriation is available for expenditure only after a site study has been presented to the chairmen of the house appropriations and senate finance committees and they have made their advisory recommendations on it.

The study shall be paid for by \$150,000 of the appropriation made in Laws 1983, chapter 344, section 2, clause (f), which remains from the appropriation to the capitol area architectural and planning board for the history center's design competition. The study shall be submitted no later than November 1, 1984. The capitol area architectural and planning board, acting with three members to be designated by the director of the Minnesota historical society, must make a final siting recommendation to the chairman of the house appropriation committee and the chairman of the senate finance committee and include their rationale.

The historical society, capitol area architectural and planning board, and the commissioner of administration shall cooperate with this study and provide staff assistance as requested.

This appropriation authorizes and continues the design competition now in progress for the state history center.

The design competition for a new history center, landscaping, and site improvements shall not produce a total projected cost that exceeds \$41,000,000.

The historical society shall evaluate and report to the legislature on the potential for private sector support for program enhancements for the state history center, including but not limited to facility furnishings and equipment.

(b) Develop Split Rock Lighthouse historic site 1,550,000

(c) Develop Red River Valley Center 1,000,000

This appropriation shall be expended in accordance with Minnesota Statutes, sections 138.92 and 138.93.

(d) Lake Superior Museum of Transportation and Industry 50,000

This appropriation shall be expended in accordance with Minnesota Statutes, sections 138.92 and 138.93.

The appropriations in items (e) to (i) are from the general fund.

(e) Develop historic interpretive facilities statewide 150,000

(f) Stabilize Grand Mound 75,000

(g) Historic site restoration and preventive maintenance 100,000

(h) Restore and preserve historical objects in Capitol building 250,000

(i) Repair state monuments, markers, and waysides 25,000

Sec. 13. VOCATIONAL-TECHNICAL EDUCATION

Subdivision 1. To the state board of vocational-technical education for post-secondary vocational-technical construction in the school districts listed in this section

10,057,600

Independent School District No. 11, Anoka 1,046,400

This appropriation is to remodel warehouse and other space for other purposes. The total cost of the project shall not exceed \$1,231,000, whether paid from state, local, or federal money.

Independent School District No. 492,
Austin 195,300

This appropriation is to remodel connecting links. The total cost of the project shall not exceed \$229,800, whether paid from state, local, or federal money.

Independent School District No. 31,
Bemidji 138,400

(1) \$96,200 is to replace a roof.

The total cost of the project shall not exceed \$113,200, whether paid from state, local, or federal money. This appropriation is from the general fund.

(2) \$42,200 is to construct a vestibule.

The total cost of the project shall not exceed \$49,700, whether paid from state, local, or federal money. This appropriation is from the general fund.

Independent School District No. 181,
Brainerd 124,000

This appropriation is for an addition to the auto body shop. The total cost of the project shall not exceed \$145,900, whether paid from state, local, or federal money.

Independent School District No. 891,
Canby 22,700

This appropriation is to complete the replacement of a roof. The total cost of the project shall not exceed \$26,800, whether paid from state, local, or federal money. This appropriation is from the general fund.

Special Intermediate School District No.
917, Dakota County 34,100

This appropriation is to modify boilers. The total cost of the project shall not exceed \$40,200, whether paid from state, local, or federal money. This appropriation is from the general fund.

Independent School District No. 709,
Duluth 2,388,500

(1) \$2,125,000 is to construct additional space for electronics, health, data processing, and business.

The total cost of the project shall not exceed \$2,500,000, whether paid from state, local, or federal money.

(2) \$212,500 is to resurface a parking lot.

The total cost of the project shall not exceed \$250,000, whether paid from state, local, or federal money. This appropriation is from the general fund.

(3) \$51,000 is to install electronic heat and ventilation controls.

The total cost of the project shall not exceed \$60,000, whether paid from state, local, or federal money. This appropriation is from the general fund.

Independent School District No. 697,
Eveleth 439,500

This appropriation is to construct a commons area, kitchen and receiving area, and instrumentation laboratory. The total cost of the project shall not exceed \$517,000, whether paid from state, local, or federal money.

Independent School District No. 423,
Hutchinson 638,700

(1) \$500,000 or so much thereof as is necessary is for the costs to acquire the Crow River Vocational Cooperative Center Building.

The total cost of this acquisition shall not exceed \$588,200, whether paid from state, local, or federal money.

(2) \$138,700 is to connect utility units to natural gas.

The total cost of the project shall not exceed \$163,200, whether paid from state, local, or federal money. This appropriation is from the general fund.

Independent School District No. 77,
Mankato 102,000

This appropriation is to construct a graphic arts classroom and laboratory. The total cost of the project shall not exceed \$120,000, whether paid from state, local, or federal money.

Special School District No. 1, Minne-
apolis 1,700,000

This appropriation is to acquire and to better the Aviation Center facility. The total cost of this project shall not exceed \$2,000,000, whether paid from state, local, or federal money.

Special School District No. 1, Minneap-
olis, may purchase the facility presently
used by the Minneapolis Technical Insti-
tute for the Aviation Training Center.
Renovation or expansion of this facility
shall not proceed until such time as the
purchase is complete and title has been
transferred.

Enrollment in aviation mechanics pro-
grams at Minneapolis Technical Institute
shall not be increased beyond the current
level without submission of documenta-
tion that placement rates have improved.
Requests to increase enrollment shall be
reviewed by the chairmen of the House
Appropriations and Senate Finance Com-
mittees and the chairmen shall make rec-
ommendations on the requests. Failure or
refusal to make a recommendation prompt-
ly is deemed a negative recommendation.

Independent School District No. 152,
Moorhead 495,600

(1) \$303,900 is for a project for the
air conditioning and refrigeration pro-
gram.

Total costs of this project shall not exceed \$357,500, whether paid from state, local, or federal money.

(2) \$191,700 to reroof the 1971 addition.

The total cost of the project shall not exceed \$225,500, whether paid from state, local, or federal money. This appropriation is from the general fund.

Special Intermediate School District
No. 916

998,100

(1) \$369,900 is for decking the refrigeration and heating, graphic arts, and mobile home repair shops. The total cost of the project shall not exceed \$435,100, whether paid from state, local, or federal money.

(2) \$120,000 is to construct a warehouse.

The total cost of the project shall not exceed \$141,200, whether paid from state, local, or federal money.

(3) \$303,400 is to encapsulate asbestos.

The total cost of the project shall not exceed \$356,900, whether paid from state, local, or federal money. This appropriation is from the general fund.

(4) \$35,500 is to add an air lock to the east entrance.

The total cost of the project shall not exceed \$41,800, whether paid from state, local, or federal money. This appropriation is from the general fund.

(5) \$169,300 is to insulate shop ceilings.

The total cost of the project shall not exceed \$199,200, whether paid from state, local, or federal money. This appropriation is from the general fund.

Independent School District No. 625, St. Paul 731,300

(1) \$270,600 is to remove asbestos.

The total cost of the project shall not exceed \$318,200, whether paid from state, local, or federal money. This appropriation is from the general fund.

(2) \$460,700 is to reroof the building and repair interior and exterior walls.

The total cost of the project shall not exceed \$542,000, whether paid from state, local, or federal money. This appropriation is from the general fund.

Independent School District No. 793, Staples 76,500

This appropriation is to replace overhead doors. The total cost of the project shall not exceed \$90,000, whether paid from state, local, or federal money. This appropriation is from the general fund.

Independent School District No. 347, Willmar 773,500

(1) \$680,000 is for additional agriculture program classrooms and labs.

The total cost of the project shall not exceed \$800,000, whether paid from state, local, or federal money.

(2) \$93,500 is for various energy conservation measures.

The total cost of the project shall not exceed \$110,000, whether paid from state, local, or federal money. This appropriation is from the general fund.

Independent School District No. 861, Winona 153,000

This appropriation is to resurface a parking lot. The total cost of the project shall not exceed \$180,000, whether paid

from state, local, or federal money. This appropriation is from the general fund.

Sec. 14. COMMUNITY COLLEGES

Subdivision 1. To the commissioner of administration for the purposes more specifically described in the following subdivisions of this section	25,038,400
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Subd. 2. Anoka - Ramsey Community College	4,300,000
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This building fund appropriation is for the following:

(a) \$2,800,000 for improvements or expansion of the library, classrooms, college center, and physical education facilities.

(b) \$1,000,000 for the Cambridge Community College Center. Of this amount, \$185,000 or so much thereof as is necessary, is for the costs to acquire by direct purchase the present facility owned by the Cambridge Business Development Company. The remaining \$815,000 is for the costs to construct an additional building on the present site, additional parking, and equipment.

(c) \$500,000 to acquire by direct purchase the Advent Lutheran Church building and land which is adjacent to the Anoka-Ramsey Community College campus.

Subd. 3. Itasca Community College

Planning for library, college center, classroom buildings and physical education building addition	175,000
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Subd. 4. Minneapolis Community College

Construct classroom, library, college center, and plan for a fine arts building	8,600,000
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Subd. 5. North Hennepin Community College 2,713,000

Construct a business technology building and improvements and plan for additions to the physical education facility.

Subd. 6. Rainy River Community College

Construct college center and physical education building addition 1,200,000

Subd. 7. Rochester Community College 2,850,000

This appropriation is to plan, construct, equip, and furnish a 30,000 gross square foot addition to Rochester Community College. This appropriation shall not be spent until a portion of the former Rochester state hospital is sold and all of the net proceeds are deposited in the state treasury and credited to the general fund.

"Net proceeds" means the gross proceeds less: (1) the accumulated operating costs associated with the heating, maintenance, and improvements for the property sold and provision for security for the period beginning December 29, 1982, and ending on the date of sale of the real property; (2) costs incurred by Olmsted County for roof repairs previously made to hospital buildings and road improvements made necessary because of the sale of the property; and (3) consultant fees and advertising costs related to the sale of the property.

The purpose of this addition is to house the Winona State University Center. This appropriation is from the state building fund.

It is intended that the Winona State University Center at Rochester shall be used jointly by Winona State University for upper division and graduate instruction and by Rochester Community College.

The chancellor of the community college system and the chancellor of the state uni-

versity system or their designees shall participate jointly in the design and oversight of the building construction. Winona State University, in consultation with Rochester Community College, shall be responsible for scheduling instructional facilities. Rochester Community College shall be assured reasonable access to and use of the building.

Rochester Community College shall be responsible for the operation and maintenance of the physical plant. Winona State University will reimburse Rochester Community College on a prorated basis for fuel, utilities, maintenance, and other attributable expenses consistent with the procedure agreed upon by the state university and community college system chancellors.

Subd. 8. Vermillion Community College

Construct college center and physical education building addition	1,900,000
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Subd. 9. Systemwide repairs and betterments	3,300,400
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The appropriations in this subdivision are from the general fund to the community college board.

Notwithstanding Minnesota Statutes, section 16.02, the community college board shall supervise and control the making of necessary repairs to all community college buildings and structures.

(a) Replace leaking roofs and repair leaking membranes	225,000
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(b) Construct or remodel hazardous chemical storage areas	336,000
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(c) Install emergency lighting	159,000
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(d) Repair roads and parking lots	450,000
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(e) Repair brick-paved sidewalks at Inver Hills Community College	132,400
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(f) Automate building energy systems	700,000
(g) Systemwide removal of asbestos	1,100,000
(h) Replace transformers	198,000

Sec. 15. STATE UNIVERSITIES

Subdivision 1. To the State University Board for the purposes more specifically described in the following subdivisions of this section

19,505,000

Notwithstanding Minnesota Statutes, section 16.02, the state university board shall supervise and control the preparation of plans and specifications for the construction, alteration, or enlargement of the state university buildings, structures, and improvements provided for in this section. The state university board shall advertise for bids and award contracts in connection with the improvements, supervise and inspect the work, approve necessary changes in the plans and specifications, approve estimates for payment, and accept the improvements when completed according to the plans and specifications.

Subd. 2. Bemidji Campus	1,280,000
(a) Plan to remodel or replace education and art building	230,000
(b) Renovate the exterior and plan for the rehabilitation of Sattgast Hall	1,050,000

Subd. 3. Mankato Campus	5,480,000
(a) Plan, construct, equip, and furnish classroom/laboratory building	5,400,000
(b) Correct fire code deficiencies	80,000

This appropriation is from the general fund.

Subd. 4. Moorhead Campus	695,000
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(a) Plan, construct, equip, and furnish addition to Nemzek Hall	490,000
(b) Planning for construction of a library addition	205,000
Subd. 5. St. Cloud Campus	4,305,000
(a) Preliminary planning for Stewart Hall	60,000
(b) Plan and renovate Gray Campus Laboratory School	3,500,000
(c) Install air conditioning system chiller loop	745,000
Subd. 6. Southwest Campus	115,000

Grade and plant trees to form a wind-break

This appropriation is from the general fund.

Subd. 7. Winona Campus

(a) Plan, renovate, equip, and furnish Somsen Hall	4,000,000
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This appropriation includes \$360,000 for planning and working drawings for the renovation of Somsen Hall.

(b) The State University System may seek nonstate funds from friends of Winona State University and others in the Winona area for the campus landscaping and site-work project. Once nonstate funds are obtained, the State University System may proceed with planning and construction of the project.

Subd. 8. Systemwide planning and coordination—building projects	100,000
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Subd. 9. Systemwide	3,530,000
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The appropriations in this subdivision are from the general fund.

(a) Install automatic emergency lighting	300,000
(b) Replace transformers and capacitors	1,054,000
(c) Remove asbestos systemwide	576,000
(d) Replace roofs	1,300,000
(e) Prepare systemwide study of need for new construction, major remodeling, library facilities, sports and physical education facilities, and industrial arts facilities	300,000

Sec. 16. UNIVERSITY OF MINNESOTA

Subdivision 1. To the regents of the University of Minnesota for the purposes more specifically described in the following subdivisions of this section

57,981,000

Subd. 2. Twin Cities Campus

46,803,000

(a) Appleby Hall

420,000

This appropriation is for working drawings to remodel and/or add on to Appleby Hall. The total cost of the project may not exceed \$7,000,000.

(b) Electrical engineering and computer science building

2,700,000

This appropriation is for two purposes. The first purpose is for working drawings to build and equip a facility not to exceed a total cost of \$40,000,000. The second purpose is for the preparation of a master building plan for physical facilities for the Institute of Technology.

(c) Prepare working drawings and construct animal facilities on the St. Paul campus or at the Rosemount Experiment Station

4,000,000

Notwithstanding the provisions of Minnesota Statutes, sections 16.821 to 16.827,

the Regents of the University of Minnesota are not required to abide by the state designer selection board act for the remodeling and renovation portions of the animal housing facilities.

(d) Green Hall Planning	656,000
(e) Remodel Smith Hall	21,000,000
(f) Repair roof and install energy conservation measures of Folwell Hall	855,000
(g) Remodel Amundson Hall and Mines and Metallurgy building	1,200,000

Of this appropriation \$60,000 is for preliminary planning for phase II construction.

(h) Remodel parts of Mayo building for department of microbiology and school of public health	8,160,000
(i) Music Library	1,275,000
(j) Music performance laboratory	1,638,000

This amount must be matched by no less than an equal amount from nonstate sources.

(k) Teaching Greenhouse and Headhouse	800,000
(l) Prepare preliminary plans for Minneapolis Campus recreational sports facilities and St. Paul Campus gymnasium improvements	210,000

This appropriation is for preliminary plans to build and equip a facility not to exceed a total cost to the state of \$10,000,000. The plans are to include an assessment of the availability of recreational sports facilities in parks and schools which are physically close to the Minneapolis and St. Paul campuses.

The regents of the University of Minnesota may use nonstate funds for the con-

struction of new facilities for intercollegiate football and to install an artificial playing surface in the Field House.

(m) Modify Williams Arena to correct life safety deficiencies 621,000

This appropriation is from the general fund.

(n) Repay bank loan for modifying Minneapolis Campus heating plant 1,000,000

This appropriation is from the general fund.

(o) Convert primary electrical system on the Minneapolis Campus 978,000

(p) Convert primary electrical system on the St. Paul Campus and air condition Goldstein Gallery 1,290,000

Subd. 3. Duluth Campus 6,570,000

(a) Recreational sports/physical education facilities 4,400,000

This amount is to be matched by at least \$487,000 from nonstate sources.

(b) Natural Resources Research Institute—Remodel and equip sage building 1,800,000

(c) Planning for remodeling and construction of engineering facilities 270,000

(d) Study heating plant and steam distribution 100,000

This appropriation is from the general fund.

Subd. 4. Morris Campus

Construct Greenhouse 200,000

Subd. 5. Crookston Campus 1,584,000

(a) Remodel Owen Hall 1,500,000

Of this amount, \$25,000 is to plan a partial replacement of the Dairy Facility at the Northwest Experiment Station, with 15 animal stations for use by the Technical College.

(b) Construct addition to coal storage facilities 34,000

This appropriation is from the general fund.

(c) Food service building air conditioning 50,000

Subd. 6. Waseca Campus

Construct mechanized agriculture shops addition and east portion of ring road ... 1,200,000

Subd. 7. Hormel Institute, Austin

Complete, equip, and furnish the Animal Research Annex 237,000

Subd. 8. Northwest Experiment Station, Crookston

Remodel existing agricultural research center auditorium 150,000

Subd. 9. Rosemount Experiment Station

Construct addition to hazardous waste storage facilities 75,000

This appropriation is from the general fund.

Subd. 10. Southern Experiment Station, Waseca

Construct farm implement storage facility 114,000

Subd. 11. Southwest Experiment Station, Lamberton

Acquire land 98,000

Subd. 12. Systemwide	950,000
(a) Remodel facilities to accommodate the physically handicapped	750,000
(b) Remodel facilities to meet life and fire safety standards	200,000

This appropriation is from the general fund.

Sec. 17. CORRECTIONS

Subdivision 1. To the commissioner of administration for the purposes more spe- cifically described in the following subdivi- sions of this section	2,598,900
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The appropriations in this section are from the general fund, unless otherwise indicated.

Subd. 2. Minnesota Correctional Facility—Lino Lakes	148,000
(a) Fire control system— “B” Building	119,000
(b) Upgrade security surveillance	29,000
Subd. 3. Minnesota Correctional Facility—Red Wing	240,000
(a) Roof replacement, Harvard and Stanford cottages	90,000
(b) Repair roof, replace eaves and gutters, and tuckpoint chapel	50,000
(c) Install sprinkler system in three maintenance buildings	100,000
Subd. 4. Minnesota Correctional Facility—St. Cloud	554,900
(a) Roof replacement, power plant and administration building	41,300
(b) Replace plumbing in cell houses A and B	184,000

(c) Replace light fixtures in cells	47,000
(d) Replace windows in two shops and administration building	43,000
(e) Tuckpointing	137,600
(f) Demolish farm buildings	2,000
(g) Replace doors and locks in school building	100,000

Item (g) is appropriated from the state building fund.

Subd. 5. Minnesota Correctional Facility—Sauk Centre 186,000

(a) Repair roofs on four buildings	29,000
(b) Install fire exit stairways from three residential cottages	30,000
(c) Install carpet and ceiling tile in Mary Lyon School	21,000
(d) Resurface recreation area and parking lot	10,000
(e) Remodel Sullivan Cottage	96,000

Subd. 6. Minnesota Correctional Facility—Stillwater 1,373,000

(a) OSHA, fire and life safety projects	120,000
(b) Ventilation and heating in cell halls A and B	52,000
(c) Replace plumbing in cell halls A and B	210,000
(d) Enlarge and remodel communication room	68,000
(e) Tuckpointing	553,000
(f) Lock replacement in cell hall B	180,000

(g) Renovate steam and return lines	190,000	
Subd. 7. Willow River Camp		97,000
(a) Pave camp road	50,000	
(b) Addition to administration building	47,000	

Sec. 18. PUBLIC WELFARE

Subdivision 1. To the commissioner of administration for the purposes more spe- cifically described in the following subdivi- sions of this section		4,730,400
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The appropriations in this section are from the general fund, unless otherwise indicated.

Subd. 2. Faribault State Hospital		344,400
(a) Reconstruct roads and parking areas	303,400	

Of the amount appropriated \$6,000 shall be for sealcoating.

(b) Renovate power plant and laundry condensation system	41,000	
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Subd. 3. Fergus Falls State Hospital		502,000
(a) For air conditioning in buildings 27 and 28	222,000	

(b) Replace boiler emission control unit with electrostatic precipitator	280,000	
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Item (b) is appropriated from the state building fund.

Subd. 4. Moose Lake State Hospital		810,000
(a) For purchase and installment of a new ventilation system in buildings 1, 2, 3, and 4	578,000	

(b) Renovate and replace plumbing and shower fixtures in buildings 51 and 52	53,000	
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(c) Boiler conversion 179,000

Subd. 5. St. Peter State Hospital

Demolish the old Minnesota Security
Hospital building 300,000

Subd. 6. Roof Repair and Replacement 408,000

This appropriation shall be limited to
projects at state hospitals in Anoka, Cam-
bridge, Faribault, Fergus Falls, Moose
Lake, and St. Peter.

Subd. 7. Floor Covering 650,000

This appropriation shall be limited to
projects for carpeting or alternative floor
coverings at state hospitals in Brainerd,
Cambridge, Faribault, Fergus Falls, Moose
Lake, St. Peter, and Willmar.

Subd. 8. Systemwide furniture
replacement 400,000

Subd. 9. Road and parking lot repair 184,000

This appropriation shall be limited to
projects for patching, resurfacing, and
sealcoating at Ah Gwah Ching State Nurs-
ing Home and state hospitals in Anoka,
Brainerd, Cambridge, Fergus Falls, Moose
Lake, St. Peter, and Willmar.

Subd. 10. Mechanical system
renovation 450,000

This appropriation shall be used for
various boiler heating and hot water pro-
jects at Oak Terrace State Nursing Home
and state hospitals in Anoka, Brainerd,
Faribault, Moose Lake, and Willmar.

Subd. 11. Special Building
Contingent 682,000

(a) Building renovation and structural
corrections at Ah Gwah Ching State Nurs-
ing Home and state hospitals in Anoka,
Brainerd, Cambridge, Faribault, Moose
Lake, and Willmar 500,000

(b) Remodeling bathrooms at Fari-
bault and Moose Lake State Hospitals and
Ah Gwah Ching State Nursing Home 182,000

The appropriations for the projects in this subdivision shall be available only after a plan for the future use of state hospitals has been submitted by the state planning agency to the 1985 legislature and subsequent consideration of these projects with the chairmen of the senate finance committee and the house appropriations committee.

Sec. 19. BOND SALE EXPENSES

To the commissioner of finance for bond sale expenses under Minnesota Statutes, section 16A.641, subdivision 8 153,000

Sec. 20. INTEREST RATE REDUCTION EXPENSES

To the commissioner of finance for payments made under contracts for interest rate reduction measures as authorized by this act. 7,230,000

Sec. 21. [BOND SALE; DEBT SERVICE.]

To provide the money appropriated in this act from the state building fund the commissioner of finance upon request of the governor shall sell and issue bonds of the state in an amount up to \$139,540,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.63 to 16A.672, and by the Constitution, article XI, sections 4 to 7.

Sec. 22. [TRANSPORTATION BONDS.]

To provide the money appropriated in this act from the state transportation fund the commissioner of finance upon request of the governor shall sell and issue bonds of the state in an amount up to \$16,000,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 174.50, 174.51, and by the Constitution, article XI, sections 4 to 7.

Sec. 23. [CONSULTATION REQUIRED.]

No land shall be purchased and no buildings shall be purchased, constructed, or erected on lands of the University of Minnesota until the regents have first consulted with the chair-

man of the senate finance committee and the chairman of the house appropriations committee and obtained their recommendations, which are advisory only.

Sec. 24. [REVIEW OF PLANS.]

The commissioner of administration, the commissioner of transportation, the state university board, and the board of regents of the University of Minnesota shall not prepare final plans and specifications for any construction or major remodeling authorized by this act until the using agency or department has presented the program and schematic plans and cost estimates for all elements necessary to complete the project to the chairman of the house appropriations committee and the chairman of the senate finance committee and the chairmen have made their recommendations thereon. The recommendations are advisory only. Failure or refusal to make a recommendation promptly is deemed a negative recommendation.

Sec. 25. [APPROPRIATIONS FOR CONSTRUCTION; TRANSFER.]

Upon the awarding of final contracts for the completion of a project for construction or other permanent improvement authorized by this act, the commissioners of administration and transportation, the state university board, and the board of regents of the University of Minnesota as to appropriations made to them may transfer any unencumbered balance in the project account to any other project enumerated in the same section of the appropriation act as the project about to be completed. The money transferred pursuant to this section is appropriated for the purposes for which transferred. The commissioners of administration and transportation and the board of regents of the University of Minnesota shall report to the chairman of the house appropriations committee and the chairman of the senate finance committee on any transfer made pursuant to this section.

Sec. 26. [APPROPRIATIONS FOR CONSTRUCTION; FEDERAL MONEY; EXCEEDING AUTHORIZED COST.]

The commissioner of administration, the commissioner of transportation, the state university board, and the board of regents of the University of Minnesota shall apply for the maximum federal share for each capital improvement project for which money is appropriated by this act. Encumbrance or expenditure of money in excess of the project authorization shall be made only after the commissioner of administration, the commissioner of transportation, and the board of regents, as appropriate, have consulted with the chairman of the house appropriations committee and the chairman of the senate finance committee and the chairmen have made their recommen-

dations thereon. The recommendations are advisory only. Failure or refusal to make a recommendation promptly is deemed a negative recommendation.

Sec. 27. [METHODS OF ACQUISITION.]

Where money has been appropriated by this act to the commissioner of administration to acquire lands or sites for public buildings or real estate, acquisition may be by gift, purchase, or condemnation proceedings. Condemnation proceedings shall be under Minnesota Statutes, chapter 117.

Sec. 28. [APPROPRIATION REDUCTIONS; CANCELLATIONS.]

The appropriation in Laws 1981, chapter 4, section 9, subdivision 9, item (a), to remodel building 8 at Rochester state hospital, is reduced by \$68,000. The appropriation in Laws 1981, chapter 334, section 11, subdivision 3, for district heating at Moorhead state university, is reduced by \$2,485,000. The appropriation in Laws 1981, chapter 361, section 2, item (e), to construct a tunnel from the Historical Society building to the Mechanic Arts School building, is reduced by \$412,000. The appropriation in Laws 1981, chapter 361, section 2, item (g), for Fergus Falls State Hospital Power Plant Conversion, is reduced by \$2,550,000. The appropriation in Laws 1981, chapter 361, section 4, subdivision 5, for transportation projects, is reduced by \$58,900,000. The appropriation in Laws 1981, chapter 362, section 5, subdivision 3, to construct an agronomy and plant genetics, plant pathology, and soil science building, is reduced by \$1,400,000. The appropriation in Laws 1983, chapter 344, section 2, item (h), to acquire the MEA building, and in item (i), to renovate the MEA building, are canceled. The appropriation in Laws 1983, chapter 344, section 10, subdivision 2, item (b), to construct a music facility on the West Bank campus, is reduced by \$4,525,000.

Sec. 29. [BOND SALE REDUCTIONS.]

The bond sale authorization in Laws 1981, chapter 4, section 13, is reduced by \$68,000. The bond sale authorization in Laws 1981, chapter 334, section 12, is reduced by \$3,685,000. The bond sale authorization in Laws 1981, chapter 361, section 9, is reduced by \$2,962,000. The bond sale authorization in Laws 1981, chapter 361, section 10, is reduced by \$58,900,000. The bond sale authorization in Laws 1981, chapter 362, section 7, is reduced by \$1,400,000. The bond sale authorization in Laws 1982, chapter 639, section 13, is reduced by \$63,000. The bond sale authorization in Laws 1983, chapter 344, section 15, is reduced by \$7,660,000.

Sec. 30. Minnesota Statutes 1982, section 16.72, subdivision 7, is amended to read:

Subd. 7. [SURCHARGE FOR VEHICLES OCCUPIED BY ONE PERSON.] The commissioner of administration shall impose a surcharge of 25 percent for vehicles occupied by only one person parking in a state parking facility in the capitol area, as described by section 15.50, subdivision 2. The revenue from this additional charge shall be placed by the commissioner in a special account. For the benefit of employees employed in the capitol area, the money in the account is appropriated to the commissioner and shall be used by the commissioner *in the following order of priority*: (1) to acquire or lease commuter vans pursuant to section 16.756 (AND.); (2) within such limits and upon such conditions as the commissioner determines to be necessary, to reimburse state departments or agencies for costs resulting from agreements with the metropolitan transit commission or other operators pursuant to section 473.409; and (3) to be used for maintaining and improving parking lots or facilities owned or operated by the state. 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 who the commissioner determines have job requirements that make car pooling impractical.

Sec. 31. [16A.011] [DEFINITIONS.]

Subdivision 1. [APPLICABILITY.] *The definitions in this section apply to chapter 16A.*

Subd. 2. [ALLOTMENT.] *"Allotment" means a limit placed by the commissioner on the amount to be spent or encumbered during a period of time pursuant to an appropriation.*

Subd. 3. [APPROPRIATION.] *"Appropriation" means an authorization by law to expend or encumber an amount in the treasury.*

Subd. 4. [COMMISSIONER.] *"Commissioner" means the commissioner of finance.*

Subd. 5. [ENCUMBRANCE.] *"Encumbrance" means the commitment of a portion or all of an allotment in order to meet an obligation that is expected to be incurred to pay for goods or services received by the state or to pay a grant.*

Subd. 6. [TREASURER.] *"Treasurer" means the state treasurer.*

Subd. 7. [TREASURY.] *"Treasury" means the state treasury.*

Sec. 32. Minnesota Statutes 1982, section 16A.54, is amended to read:

16A.54 [GENERAL FUND DEFINED.]

Except as provided in section 16A.671, subdivision 3, the term "general fund" appearing in any existing or hereafter enacted law relating to revenues deposited in or expenditures appropriated from the state treasury means such moneys as have been deposited in the state treasury for the usual, ordinary, running, and incidental expenses of the state government and does not include moneys deposited in the state treasury for a special or dedicated purpose.

Sec. 33. [16A.631] [STATE BUILDING FUND.]

The state building fund is established to receive state bond proceeds appropriated to agencies to acquire and to better public lands and buildings and other public improvements of a capital nature, as authorized by the Constitution, article XI, section 5, clause (a).

Sec. 34. [16A.641] [STATE BONDS; APPROPRIATIONS.]

Subdivision 1. [AUTHORITY.] When authorized by a law enacted in accordance with the Constitution, article XI, sections 5 and 7, the commissioner of finance may sell and issue general obligation bonds of the state evidencing public debt incurred for any purpose stated in those sections. The full faith, credit, and taxing powers of the state are irrevocably pledged for the prompt and full payment of the bonds and interest.

Subd. 2. [REPORT.] Before a sale of general obligation bonds, the commissioner shall report the amount of bonds to be issued and a detailed list of the projects or a statement of the program to be financed to the chairmen of the house appropriations and tax committees and of the senate finance and tax committees, and the minority leaders of the house and senate, for their advisory recommendation. The recommendation is positive if not received within ten days.

Subd. 3. [SERIES OF BONDS.] Bonds authorized by a law may be issued in more than one series, and bonds authorized by more than one law may be combined in a single series, as determined by order of the commissioner. The order must state the principal amount of the bonds to be issued under each law, and the aggregate principal amount and the maturity dates and amounts of the bonds included in the series that are to be issued for the purpose of each special fund.

Subd. 4. [SALE AND ISSUANCE.] State bonds must be sold and issued upon sealed bids in the manner and on the terms and conditions determined by the commissioner in accordance with the laws authorizing them and subject to the approval of

the attorney general, but not subject to chapter 14. For each series, in addition to provisions required by subdivision 3, the commissioner may determine:

(1) the time, place, and notice of sale and method of comparing bids;

(2) the price, not less than par for highway bonds;

(3) the principal amount and date of issue;

(4) the interest rates and payment dates;

(5) the maturity amounts and dates, not more than 20 years from the date of issue, subject to subdivision 5;

(6) the terms, if any, on which the bonds may or must be redeemed before maturity, including notice, times, and redemption prices; and

(7) the form of the bonds and the method of execution, delivery, payment, registration, conversion, and exchange, in accordance with section 16A.672.

Subd. 5. [PLANNING MATURITIES.] In issuing each series of state bonds the commissioner shall try to establish the maturities and other terms so that transfers to the state bond fund required in each year of the then current biennium under subdivision 10 may be made with the least practical effect on orderly spending plans for other appropriations from the general fund.

Subd. 6. [CERTIFICATION.] The commissioner of finance shall ascertain from state records and certify to the holders of each series of state bonds, subject to the approval of the attorney general, that all conditions exist and all actions have been taken that are needed to make the bonds valid and binding general obligations of the state in accordance with their terms. The commissioner shall also certify for the state the facts, estimates, and circumstances on the date of issue that lead the commissioner reasonably to expect that the proceeds will not be used in a way that would make the bonds arbitrage bonds under section 103(c) of the Internal Revenue Code and related federal regulations.

Subd. 7. [CREDIT OF PROCEEDS.] (a) Proceeds of bonds issued under each law must be credited by the commissioner to a special fund, as provided in this subdivision.

(b) Accrued interest and any premium received on sale of the bonds must be credited to the state bond fund created by the Constitution, article XI, section 7.

(c) Proceeds of state building bonds must be credited to the state building fund under section 16A.631.

(d) Proceeds of state highway bonds must be credited to the trunk highway fund under the Constitution, article XIV, section 6.

(e) Proceeds of bonds issued for programs of grants or loans to political subdivisions must be credited to special funds established by laws stating the purposes of the grants or loans, and the standards and criteria under which an executive agency is authorized to make them.

(f) Proceeds of refunding bonds must be credited to the state bond fund as provided in section 16A.66, subdivision 1.

Subd. 8. [APPROPRIATION OF PROCEEDS.] (a) The proceeds of bonds issued under each law are appropriated for the purposes described in the law and in this subdivision. This appropriation may never be canceled.

(b) Before the proceeds are received in the proper special fund, the commissioner may transfer to that fund from the general fund amounts not exceeding the expected proceeds. The commissioner shall return these amounts to the general fund by transferring proceeds when received. The amounts of these transfers are appropriated from the general fund and from the bond proceeds.

(c) Actual and necessary travel and subsistence expenses of employees and all other expenses incidental to the sale, printing, execution, and delivery of bonds must be paid from the proceeds. The proceeds are appropriated for this purpose.

(d) Bond proceeds remaining in a special fund after the purposes for which the bonds were issued are accomplished or abandoned, as certified by the head of the agency administering the special fund, or as determined by the commissioner, unless devoted under the appropriation act to another purpose designated in the act, shall be transferred to the state bond fund.

Subd. 9. [SPECIAL ACCOUNTS; APPROPRIATION.]

(a) The commissioner of finance shall establish separate accounts in the state bond fund for:

(1) state building bonds, and for other state bonds issued for each program of grants to political subdivisions for a particular class of capital expenditures, to record debt service payments and receipts of amounts appropriated from the general fund under subdivision 10;

(2) state highway bonds, to record debt service payments, receipts of amounts appropriated for debt service from the trunk highway fund pursuant to the Constitution, article XIV, section 6, and additional receipts, if any, of amounts appropriated from the general fund under subdivision 10;

(3) state bonds issued for each capital loan and for each program of capital loans to agencies or political subdivisions, to record debt service payments, receipts of loan repayments appropriated for debt service or reimbursement of debt service by the law authorizing the loan or program, and any additional receipts of amounts appropriated from the general fund under subdivision 10; and

(4) refunding bonds, as provided in section 16A.66, subdivision 1.

(b) All money credited, transferred, or appropriated to the state bond fund and all income from the investment of that money is appropriated to the commissioner for the payment of principal and interest on state bonds.

Subd. 10. [APPROPRIATION FROM GENERAL FUND.] There is annually appropriated to the state bond fund from the general fund the amount that, added to the amount in the state bond fund on November 1 each year, is needed to pay the principal of and interest on all state bonds due and to become due through July 1 in the second ensuing year. The money appropriated must be available in the state bond fund each year before the tax otherwise required by the Constitution, article XI, section 7, is levied.

Subd. 11. [CONSTITUTIONAL TAX LEVY.] Under the Constitution, article XI, section 7, the state auditor must levy each year on all taxable property within the state a tax sufficient, with the amount then on hand in the state bond fund, to pay all principal and interest on state bonds due and to become due to and including July 1 in the second ensuing year. If levied, this tax must be assessed and extended against real property used for the purposes of a homestead, as well as other taxable property, notwithstanding section 273.13, subdivisions 6 and 7. The tax is not subject to limitation of rate or amount. However, the amount of money appropriated from other sources as provided in subdivision 10, and actually received and on hand prior to the levy in any year, reduces the amount of the tax otherwise required to be levied. The proceeds of the tax must be credited to the state bond fund.

Subd. 12. [SUPPLEMENTAL APPROPRIATION FROM GENERAL FUND.] If the proceeds of the tax levied under subdivision 11 are ever insufficient to make the principal and interest payments on state bonds when due, the balance must be

paid out of the general fund. The amount needed to pay the balance is appropriated from the general fund to the commissioner.

Sec. 35. [16A.651] [INTEREST RATE REDUCTION.]

The commissioner may enter into contracts providing for the issuance of letters of credit, put options, or other contractual rights deemed necessary or desirable to reduce the interest rate on state general obligation bonds to be issued by the commissioner, and may pay the cost of the contracts from bond proceeds, including premiums and accrued interest, received from purchasers. The amount of bonds authorized to be issued by the commissioner under any other law adopted before the effective date of this section is increased by up to five percent in order to provide all or a portion of the money required to be paid under the contracts. The expenditure of bond proceeds for this purpose is deemed to be an expenditure for the primary purpose for which the bonds covered by the contract are authorized to be issued by the Constitution and applicable law. So much of the proceeds of bonds issued by the commissioner as is necessary to pay the costs of the letters of credit, put options, or other contractual rights is appropriated for this purpose.

Sec. 36. Minnesota Statutes 1982, section 16A.66, as amended by Laws 1983, chapter 301, sections 96, 97, and 98, is amended to read:

16A.66 [(MINNESOTA STATE) REFUNDING BONDS.]

Subdivision 1. [AUTHORITY; REDUCTION OF TAX AND APPROPRIATION FOR REFUNDED BONDS.] (FOR THE PURPOSE OF REFUNDING STATE BONDS OF ANY SERIES HERETOFORE OR HEREAFTER AUTHORIZED, INCLUDING INTEREST ON THEM,) The commissioner (OF FINANCE) may, with approval by resolution of the executive council, issue *state* bonds (OF THE STATE OF MINNESOTA IN THE MANNER AND UPON THE TERMS AND CONDITIONS PRESCRIBED IN THIS) *in accordance with section (AND IN THE CONSTITUTION, ARTICLE XI, SECTION 7. FOR THE PROMPT AND FULL PAYMENT OF ALL SUCH REFUNDING BONDS AND THE INTEREST THEREON THE FULL FAITH AND CREDIT AND TAXING POWERS OF THE STATE ARE IRREVOCABLY PLEDGED) 16A.641 to refund any outstanding state bonds and interest on them.* The proceeds of (SUCH) *refunding* bonds shall be credited to the account established *within the state bond fund (CREATED BY THE CONSTITUTION, AND WITHIN THAT FUND TO SUCH SEPARATE BOOKKEEPING ACCOUNT AS SHALL HAVE BEEN CREATED) for the (PAYMENT OF THE) bonds to be refunded (AND THE INTEREST THEREON), and shall be credited only against the appropriations in section 16A.641, subdivisions 9 and 10 and the tax (OTHERWISE) re-*

quired by the constitution (TO BE LEVIED) with respect to the refunded bonds *and interest*.

Subd. 2. [SPECIAL PROVISIONS FOR SALE AND ISSUANCE.] (UNLESS OTHERWISE EXPRESSLY PROVIDED IN THE LAW AUTHORIZING THE ISSUANCE OF ANY SERIES OF BONDS, SUCH AUTHORIZATION SHALL INCLUDE AUTHORIZATION TO THE COMMISSIONER TO ISSUE REFUNDING BONDS FOR THE PURPOSE OF REFUNDING THE SAME IN THE MANNER AND UPON THE TERMS AND CONDITIONS PRESCRIBED IN THIS SECTION. ANY ACT DIRECTING THE ISSUANCE OF BONDS FOR ANY PURPOSE SHALL, TOGETHER WITH THIS SECTION, CONSTITUTE COMPLETE AUTHORITY FOR THE ISSUANCE OF BONDS TO REFUND THE SAME, AND SUCH REFUNDING BONDS SHALL NOT BE SUBJECT TO THE RESTRICTIONS OR LIMITATIONS CONTAINED IN ANY OTHER LAW.)

(SUBD. 3. SUCH) Refunding bonds (SHALL BE ISSUED AND SOLD UPON SEALED BIDS, OR) may be sold *publicly*, or directly to the state board of investment without bids, or may be exchanged for bonds refunded by agreement with (THE) *their* holders (THEREOF), and shall be prepared, executed, (AND) delivered, and (WHEN ISSUED SHALL BE) secured (,) in the same (MANNER IN ALL RESPECTS) *way* as (PROVIDED BY LAW AND THE CONSTITUTION FOR) the *refunded* bonds (REFUNDED THEREBY). The proceeds of (THE) *refunding* bonds may be deposited, invested, and applied to accomplish the refunding (IN THE MANNER AND UPON THE CONDITIONS) *as* provided in section 475.67, subdivisions 5 to 10. The interest rate on refunding bonds may exceed that on the *refunded* bonds (REFUNDED WHEN IN THE JUDGMENT OF) *if* the (COMMISSIONER AND COUNCIL) *purpose* of refunding is (NEVERTHELESS NECESSARY OR DESIRABLE FOR THE PURPOSE OF EXTENDING) *to extend* the maturities and (REDUCING) *to reduce* the (ANNUAL) amount (OF THE PROPERTY TAX OR OTHER FUNDS) needed *annually* to pay and *to* secure the (BONDS AND INTEREST) *debt*.

Subd. (4) 3. [APPROPRIATION.] (SUCH MONEYS AS ARE REQUIRED) *The money needed* to carry out (THE PURPOSES OF) this section (ARE) *is* appropriated annually (THEREFOR).

(SUBD. 5. PRIOR TO EACH SALE OF GENERAL OBLIGATION BONDS, THE COMMISSIONER OF FINANCE SHALL REPORT TO THE CHAIRMEN OF THE HOUSE APPROPRIATIONS AND SENATE FINANCE COMMITTEES, HOUSE AND SENATE TAX COMMITTEES, AND THE MINORITY LEADERS OF THE HOUSE AND SENATE, THE AMOUNT OF BONDING TO BE ISSUED AND A DETAILED

LIST OF THE PROJECTS WHICH ARE TO BE FINANCED AND SHALL RECEIVE THEIR RECOMMENDATIONS. THESE RECOMMENDATIONS ARE ADVISORY ONLY; FAILURE TO REPLY WITHIN TEN DAYS IS DEEMED A POSITIVE RESPONSE.)

Sec. 37. Minnesota Statutes 1982, section 16A.671, is amended to read:

16A.671 [CERTIFICATES OF INDEBTEDNESS.]

Subdivision 1. [AUTHORIZATION.] (FOR THE PURPOSE OF ASSURING) *To ensure* that cash (OR CASH EQUIVALENT ASSETS WILL BE) *is* available (AT ALL TIMES DURING EACH BIENNIUM) *when needed* to pay (ALL) warrants drawn on the general fund (PURSUANT TO) *under* appropriations and allotments (FOR EXPENDITURE FOR ANY PURPOSE DURING THAT BIENNIUM), the governor may authorize the commissioner of finance (1) to issue certificates of indebtedness in anticipation of the collection of taxes levied for and other revenues appropriated to the general fund (,) *for expenditure during each biennium*; and (2) to issue additional certificates to refund outstanding certificates (OR) *and* interest (THEREON, UNDER THE PROVISIONS OF) *on them, under* the constitution, article XI, section 6.

Subd. 2. [ADVISORY RECOMMENDATION.] Before certificates (OF INDEBTEDNESS) are *initially* sold (AND ISSUED PURSUANT TO ANY AUTHORIZATION, EXCEPT FOR THE PURPOSE OF REFUNDING) *by any of the methods authorized in subdivision 6*, the governor shall (SECURE) *seek* the advisory recommendation of the legislative advisory commission (AS TO) *or, if there is no commission, the executive council, on* (1) the necessity (THEREOF) of *issuing them*, (2) the terms and conditions of the sale (AND ISSUANCE), and (3) the maximum amount to be issued and outstanding under the authorization. (WHEN CERTIFICATES OF INDEBTEDNESS ARE TO BE SOLD AND ISSUED PURSUANT TO SUBDIVISION 5, CLAUSE (B) OR (C), THE GOVERNOR SHALL SECURE A RECOMMENDATION BEFORE THE LINE OF CREDIT IS ESTABLISHED OR THE UNDERWRITING OR PLACEMENT AGREEMENT IS ENTERED INTO, BUT NEED NOT SECURE) *if the commission or council does not make a recommendation promptly, the recommendation is negative*. An additional recommendation is not required for refunding outstanding certificates or for each issuance of certificates (OF INDEBTEDNESS PURSUANT TO THAT) *in accordance with an approved line of credit, underwriting, or placement agreement*. (THE RECOMMENDATION OF THE COMMISSION SHALL BE ADVISORY ONLY. THE FAILURE OF THE COMMISSION TO MAKE A RECOMMENDATION PROMPTLY IS A NEGATIVE RECOMMENDATION. IF THERE IS NO LEGISLATIVE ADVISORY

COMMISSION, THE GOVERNOR SHALL REQUEST AN ADVISORY RECOMMENDATION FROM THE EXECUTIVE COUNCIL.)

Subd. (2) 3. [DEFINITIONS.] As used in this section, the following terms have the meanings given them:

((A) "ALLOTMENT" MEANS A LIMITATION PLACED BY THE COMMISSIONER OF FINANCE PURSUANT TO LAW, UPON THE AMOUNT TO BE EXPENDED OR ENCUMBERED DURING ANY PERIOD DURING A BIENNIUM PURSUANT TO AN APPROPRIATION.)

((B) "APPROPRIATION" MEANS AN AUTHORIZATION BY LAW TO EXPEND OR ENCUMBER AN AMOUNT IN THE GENERAL FUND DURING A BIENNIUM, INCLUDING BUT NOT LIMITED TO:)

((1) DIRECT APPROPRIATIONS;)

((2) OPEN AND STANDING APPROPRIATIONS;)

((3) APPROPRIATIONS OF SUMS SUFFICIENT FOR STATED PURPOSES, THE AMOUNTS OF WHICH SHALL BE DEEMED TO BE AS ESTIMATED BY THE COMMISSIONER OF FINANCE FROM TIME TO TIME; AND)

((4) APPROPRIATIONS OF AMOUNTS TO BE PAID OR TRANSFERRED IN FINANCIAL RECORDS FROM THE GENERAL FUND TO ANY SPECIAL OR DEDICATED FUND.)

((C)) (a) "General fund" means all cash and investments from time to time received and held in the state treasury, except proceeds of state bonds and amounts received and held in special or dedicated funds created by the state constitution, or by or pursuant to federal laws or regulations (THEREUNDER), or by bond or trust instruments, pension contracts, or other agreements of the state or its agencies with private persons, entered into pursuant to state law.

((D)) (b) "Maximum current cash flow requirement" means (A) *the commissioner's* written estimate (BY THE COMMISSIONER OF FINANCE) of the largest of the amounts by which, on a particular designated date in each month of the term for which certificates are to be issued, the sum of (1) the warrants then outstanding against the general fund plus (2) those that must be drawn (THEREON) *on the fund* before the same date in the following month, in payment of claims due for expenditure (PURSUANT TO) *under* all appropriations and allotments, will exceed the amount of cash or cash equivalent assets held in the general fund on the first of these dates, excluding the proceeds of the certificates *to be issued*.

Subd. (3) 4. [LIMITATIONS OF AMOUNT.] The principal amount of certificates (OF INDEBTEDNESS) to be issued at any time (SHALL) *must* not exceed the (SMALLEST) *smaller* of the following:

((A)) (1) An amount which, with interest thereon to maturity, added to the then outstanding amount of certificates (, LESS THE AMOUNT THEREOF, IF ANY, WHICH WILL BE) *not simultaneously* paid (FROM THE PROCEEDS, AND INTEREST THEREON TO MATURITY) *and retired*, will equal the then unexpended balance of all money which will be credited to the general fund during the current biennium under existing laws, as estimated by the commissioner (OF FINANCE); or

((B)) (2) The maximum current cash flow requirement.

Subd. (4) 5. [TERMS.] The commissioner (OF FINANCE) may establish by order (IN ACCORDANCE WITH THE PROVISIONS OF THIS SECTION, AND) *with the approval of the attorney general*, but not subject to (THE PROVISIONS OF SECTIONS 14.02, 14.04 TO 14.36, 14.38, 14.44 TO 14.45, AND 14.57 TO 14.62, THE PRINCIPAL AMOUNT OF EACH SERIES OF CERTIFICATES OF INDEBTEDNESS, THE TIME OR TIMES AND TERMS OF SALE, THE DENOMINATIONS AND FORM, WHETHER REGISTERED OR PAYABLE TO BEARER, WITH OR WITHOUT INTEREST COUPONS, THE INTEREST RATE OR RATES, OR THE BASIS OF COMPUTATION OF A VARIABLE RATE, THE MATURITY DATE OR DATES AND AMOUNTS, THE PROVISIONS, IF ANY, FOR REDEMPTION AT TIMES AND PRICES AND UPON NOTICE SPECIFIED, A PLACE OR PLACES OF PAYMENT WHICH MAY BE SUITABLE FINANCIAL INSTITUTIONS WITHIN OR OUTSIDE THE STATE, ANY PROVISIONS FOR REGISTRATION OF OWNERSHIP OF PRINCIPAL, OR BOTH PRINCIPAL AND INTEREST, AND FOR TRANSFER AND EXCHANGE, AND ANY OTHER TERMS THE COMMISSIONER MAY DETERMINE WITH THE APPROVAL OF THE ATTORNEY GENERAL. ALL CERTIFICATES SHALL MATURE NOT LATER THAN THE END OF THE BIENNIUM IN WHICH THEY ARE ISSUED) *chapter 14, the terms of each series of certificates of indebtedness including:*

(1) *the manner of sale under subdivision 6;*

(2) *the price, principal amount, and date of issue;*

(3) *the interest rate or rates and payment dates, or the basis of computation of a variable rate;*

(4) *the maturity date or dates, within the current biennium except as provided in subdivision 10;*

- (5) *the terms, if any, of redemption before maturity;*
- (6) *the form and method of execution, delivery, payment, registration, conversion, and exchange, under section 16A.672.*

Subd. (5) 6. [SALE.] Certificates of indebtedness may be sold (BY THE COMMISSIONER OF FINANCE UPON PUBLIC ADVERTISEMENT FOR COMPETITIVE BIDS, OR:) *in any of the ways listed in paragraphs (a) to (e).*

(a) (THEY MAY BE SOLD TO THE STATE BOARD OF INVESTMENT WITHOUT ADVERTISEMENT FOR BIDS, UPON TERMS AT LEAST AS FAVORABLE AS THOSE ON WHICH, IN THE JUDGMENT OF THE BOARD, DIRECT OBLIGATIONS OF THE UNITED STATES GOVERNMENT OF COMPARABLE MATURITIES CAN AT THE TIME BE PURCHASED FROM FUNDS UNDER ITS CONTROL, INCLUDING THE SPECIAL OR DEDICATED FUNDS DESCRIBED IN CLAUSE (C) OF SUBDIVISION 2, OTHER THAN PENSION FUNDS;) *The commissioner may advertise for competitive bids.*

(b) The commissioner may negotiate *contracts* with (A) suitable (BANK OR) banks (WITHIN OR OUTSIDE THE STATE FOR A LINE) *in or out of state to establish lines of credit (WHEREBY), for an agreed compensation(,) . The contracts must provide that the commissioner may issue certificates of indebtedness (MAY BE ISSUED FROM TIME TO TIME) up to a maximum outstanding amount within an agreed period, bearing interest at a fixed or variable (INTEREST) rate (AND) . The certificates must be subject to redemption at par plus accrued interest at any time at the commissioner's option (OF THE COMMISSIONER; OR).*

(c) The commissioner may negotiate *contracts* with (A FIRM OR) firms of underwriters (FOR THE) *that will purchase (OF CERTIFICATES OF INDEBTEDNESS) or (TO) act as (AN AGENT) agents in the placement of certificates of indebtedness (, WHICH) issued within an agreed period, up to a maximum amount outstanding. The certificates may be sold to the underwriters or investors (1) at (A SPECIFIED) an agreed discount (REPRESENTING) with the interest included in the face amount payable at maturity; or (2) bearing interest at a stated interest rate on (A STATED PRINCIPAL) the face amount, payable on one or more dates. For the further security of (THE) these certificates (OF INDEBTEDNESS) the commissioner may negotiate (A) agreements for lines of credit (AGREEMENT PURSUANT TO) under paragraph (b) (, PROVIDING FOR THE PAYMENT THEREOF) to pay the certificates with interest to maturity, if necessary, by the issuance of new certificates (OF INDEBTEDNESS TO THE BANK OR BANKS EXTENDING THE) under the lines of credit.*

(SUBD. 6. [EXECUTION.] CERTIFICATES OF INDEBTEDNESS SHALL BE EXECUTED BY THE SIGNATURES OF THE COMMISSIONER OF FINANCE AND THE STATE TREASURER UNDER THEIR OFFICIAL SEALS, AND ANY ATTACHED INTEREST COUPONS BY THE SIGNATURE OF THE COMMISSIONER. THE SIGNATURES AND SEALS MAY BE PRINTED, LITHOGRAPHED, PHOTOCOPIED, OR STAMPED, EXCEPT THAT AT LEAST ONE OFFICER SHALL SIGN MANUALLY ON THE FACE OF EACH CERTIFICATE, UNLESS THE COMMISSIONER DESIGNATES AND THE CERTIFICATE ON ITS FACE REQUIRES A SUITABLE FINANCIAL INSTITUTION TO AUTHENTICATE THE CERTIFICATE BY THE MANUAL SIGNATURE OF ITS AUTHORIZED REPRESENTATIVE.)

(SUBD. 6A. [FISCAL AGENT BANK.] (d) The commissioner may (ENTER INTO AN AGREEMENT) *make contracts for agreed fees with (A) suitable (BANK OR) banks (LOCATED WITHIN OR OUTSIDE THE) in or out of state to authenticate, issue, pay principal and interest on, cancel (OR), and otherwise deal as fiscal agents of the state with certificates of indebtedness issued (PURSUANT TO THIS SECTION, FOR AN AGREED COMPENSATION) under paragraphs (a), (b), or (c).*

(e) *The commissioner may sell certificates of indebtedness to the state board of investment without advertising for bids. The board must determine that the terms are not less favorable than those available at the time for the purchase of direct obligations of the federal government or its agencies, of comparable maturities. The board may purchase the certificates with any money under its control except money in a pension fund.*

Subd. 7. [APPROPRIATION OF PROCEEDS.] The proceeds of all certificates of indebtedness (ISSUED PURSUANT TO THIS SECTION ARE APPROPRIATED TO) *must be deposited in the general fund, and shall be available for (EXPENDITURE PURSUANT TO) spending under any appropriation from that fund for any purpose, (INCLUDING THOSE REFERRED) subject to (IN) subdivision (8) 9.*

Subd. 8. [APPROPRIATION AND ACCOUNTING FOR PAYMENT OF CERTIFICATES AND (COSTS) EXPENSES FROM THE GENERAL FUND.] (THE PRINCIPAL OF AND INTEREST AND PREMIUM, IF ANY, ON ALL CERTIFICATES OF INDEBTEDNESS ISSUED HEREUNDER, AND ALL EXPENSES INCIDENTAL TO THE SALE, GUARANTY OF SALE, PLACEMENT, PRINTING, EXECUTION, AUTHORIZATION, REGISTRATION, AND DELIVERY THEREOF, INCLUDING BUT NOT LIMITED TO ACTUAL AND NECESSARY TRAVEL AND SUBSISTENCE EXPENSES OF STATE OFFICERS AND EMPLOYEES, AND COSTS ARISING FROM LINES OF CREDIT OBTAINED

WITH RESPECT TO OUTSTANDING DEBT SHALL BE PAID FROM THE GENERAL FUND AND SHALL BE INCLUDED IN THE COMPUTATION OF CURRENT CASH FLOW REQUIREMENTS AND OF AMOUNTS AVAILABLE FOR ALLOTMENT PURSUANT TO APPROPRIATIONS, AND) The amounts (NECESSARY) needed for (THESE) the purposes in this subdivision are appropriated and must be paid from the general fund. These appropriations are irrevocable and shall not be canceled. They must be included in the computation of current cash flow requirements and of amounts available for allotment. The purposes of the appropriations are:

(1) *payment of the principal of and interest and premium, if any, on all certificates when due;*

(2) *actual and necessary travel and subsistence expenses of state officers and employees and other expenses incidental to the sale or placement, printing, execution, and delivery of certificates; and*

(3) *costs of lines of credit.*

Subd. 9. [PRIORITY OF CERTIFICATE PAYMENTS; COVENANTS.] (a) *The proceeds of certificates of indebtedness issued in whole or in part to refund outstanding certificates and interest as authorized in the constitution are available only for that purpose until the refunded certificates and interest are paid.*

(b) *The commissioner (OF FINANCE) may (ENTER INTO A) covenant by order, on behalf of the state, for the security of the holders of any certificates (OF INDEBTEDNESS, FOR THE SEGREGATION OF), to segregate cash and cash equivalent assets in a special account within the general fund (FOR THE PAYMENT OF INTEREST, PRINCIPAL, AND PREMIUM, IF ANY,) in the amounts and at the times in advance of the due dates that the commissioner determines to be advisable for (THE STATE IN) marketing the certificates (OF INDEBTEDNESS), and to (TAKE ACTION REQUIRED) act under section 16A.15, subdivision 1, to (ENABLE THE PERFORMANCE OF) perform the covenant. The amount in the account is available only to pay the principal of and interest and premium, if any, on the certificates referred to in the order.*

Subd. (9) 10. [(BIENNIAL CASH DEFICIENCY) COVENANT TO REFUND.] *If cash and cash equivalent (AMOUNTS HELD) assets in the general fund (ON THE DATE ON WHICH ANY CERTIFICATES OF INDEBTEDNESS COME DUE,) in excess of the amount of outstanding warrants (THEN OUTSTANDING, ARE) is not sufficient to pay (ALL SUCH) any certificates of indebtedness (AND ANY) or interest when due (THEREON, THE DEFICIENCY MAY BE PAID BY THE*

ISSUANCE OF), *the commissioner may issue* refunding certificates (OF INDEBTEDNESS) maturing not later than December 1 in the (ENSUING) *next calendar year to pay the deficiency.* (THE COMMISSIONER,) With the approval of the governor, *the commissioner may* (ENTER INTO A) covenant on behalf of the state (THAT SUCH), *in the order issuing any certificates, to offer* refunding certificates (OF INDEBTEDNESS WILL BE OFFERED) for sale (IN THE EVENT) *if a deficiency is* (ANTICIPATED) *expected.*

Subd. 11. [CONSTITUTIONAL TAX LEVY.] If cash and cash equivalent (AMOUNTS HELD) *assets in the general fund in excess of the amount of outstanding warrants,* on December 1 immediately following the close of (THE) *a biennium, (IN EXCESS OF WARRANTS THEN OUTSTANDING, ARE)* is not sufficient to pay:

(1) all (SUCH) refunding certificates of indebtedness (AND ANY);

(2) all other certificates (OF INDEBTEDNESS) outstanding at the end of the biennium and not refunded (, WITH); and

(3) all interest (THEN) accrued (THEREON,) on the certificates referred to in clauses (1) and (2);

the state auditor shall levy upon all taxable property in the state (A) *the tax required by the constitution, article XI, section 6, collectible in the (ENSUING) next calendar year and sufficient to pay (THE SAME) all amounts described in clauses (1), (2), and (3) on or before December 1 in the (ENSUING) collection year with interest to the date or dates of payment.*

Sec. 38. Minnesota Statutes 1983 Supplement, section 16A.672, is amended to read:

16A.672 [BONDS AND CERTIFICATES OF INDEBTEDNESS.]

Subdivision 1. [(GENERAL) AUTHORITY.] (NOTWITHSTANDING ANY CONTRARY PROVISION OF OTHER LAW.) The commissioner (OF FINANCE) and (THE STATE) treasurer (SHALL HAVE THE POWERS SPECIFIED IN THIS SECTION WITH RESPECT TO THE ISSUANCE, FORM, EXECUTION, DELIVERY, REGISTRATION OF TRANSFER AND EXCHANGE, AND PAYMENT OF) *may issue, execute, deliver, register, and pay* bonds and certificates of indebtedness (HERETOFORE OR HEREAFTER) *in the form and manner provided in this section, when authorized* (TO BE ISSUED OR ISSUED BY THE STATE) *under section 16A.641 or 16A.671.*

Subd. 2. [(FORM OF OBLIGATIONS) APPLICATION OF COMMERCIAL CODE.] (THE BONDS OR CERTIFICATES OF INDEBTEDNESS MAY BE ISSUED IN BEARER FORM WITH INTEREST COUPONS ATTACHED, WITH OR WITHOUT PROVISION FOR REGISTRATION AS TO PRINCIPAL ONLY, OR IN FULLY REGISTERED FORM, IN ONE OR MORE DENOMINATIONS, AND WITH PROVISIONS FOR CONVERSION OF FORM, EXCHANGE OF DENOMINATIONS, AND TRANSFER OF OWNERSHIP AS PRESCRIBED BY THE COMMISSIONER OF FINANCE.) All bonds and certificates (OF INDEBTEDNESS, WHEN ISSUED ACCORDING TO ORDERS OF THE COMMISSIONER OF FINANCE, SHALL BE) *are securities (WITHIN THE MEANING OF) under sections 336.8-101 to 336.8-408 (, AND). The commissioner (OF FINANCE) and (THE STATE) treasurer may do (ON BEHALF OF) for the state (ALL ACTS AND THINGS WHICH ARE PERMITTED OR REQUIRED OF ISSUERS OF SECURITIES) whatever may or must be done under those sections (336.8-101 TO 336.8-408 AND ARE CONSISTENT) to comply with the orders authorizing them. The bonds or certificates may be issued:*

- (1) *in one or more denominations;*
- (2) *in bearer form, with interest coupons attached; and*
- (3) *with provision for registration as to principal only; or*
- (4) *in fully registered form; and*
- (5) *with provision for registration of conversion and exchange of forms and denominations, transfer of ownership, and replacement of lost or damaged bonds.*

Subd. 3. [PREPARATION AND EXECUTION.] (THE) (a) Bonds (OR) *and certificates of indebtedness may be printed (, LITHOGRAPHED,) or otherwise reproduced in the style and form the commissioner prescribes (, BUT THE FORM SHALL). They may state in a general way the purpose for which they are issued and the security provided for their payment or may incorporate the authorizing order by reference.*

(SUBD 3. [EXECUTION OF OBLIGATIONS.] THE BONDS AND CERTIFICATES OF INDEBTEDNESS SHALL) (b) *They must be executed by the commissioner (OF FINANCE) and (ATTESTED BY) the (STATE) treasurer under their official seals. (FACSIMILE) The signatures and seals (OF EITHER OR BOTH OF THESE OFFICERS) may (, AS THE COMMISSIONER OF FINANCE DEEMS APPROPRIATE.) be (PRINTED, LITHOGRAPHED, STAMPED, ENGRAVED, OR OTHERWISE) reproduced (, EVERY) facsimiles; but no bond (AND) or certificate (ISSUED,*

WHETHER INITIALLY OR UPON TRANSFER, EXCHANGE, OR REPLACEMENT, SHALL BE) *is valid for any purpose unless it is manually signed on its face by (ONE OF THESE OFFICERS,) the commissioner or treasurer or by a duly authorized representative of a bank or trust company (DESIGNATED) named by (ORDER OF) the commissioner (OF FINANCE, WHETHER AT OR AFTER THE TIME OF INITIAL ISSUE, AS REGISTRAR OR OTHERWISE) as an agent of the state to authenticate it.*

Subd. 4. [DELIVERY (OF OBLIGATIONS).] The commissioner (OF FINANCE) may (APPOINT) *name a bank or trust company (WITHIN OR OUTSIDE) in or out of the state to act as (DELIVERY) the state's agent (ON BEHALF OF THE STATE, AND) to deliver (THE) bonds or certificates (OF INDEBTEDNESS) to the initial purchaser upon payment (THEREFOR) of the purchase price.*

Subd. 5. [REGISTRAR.] The commissioner (OF FINANCE), in (THE) order (FOR THE ISSUANCE OF) *to issue any bonds or certificates (OF INDEBTEDNESS), may (DESIGNATE) name a (CORPORATE) registrar to (PERFORM ON BEHALF OF) act for the state (THE DUTIES OF A REGISTRAR AS SET FORTH IN) under sections 336.8-101 to 336.8-408, (INCLUDING BUT NOT LIMITED TO AUTHENTICATION AND DELIVERY) and to authenticate and deliver obligations upon initial issuance and (UPON) registration of transfer, exchange, or conversion (INTO ANOTHER FORM). (ANY) The registrar (SHALL) must be an incorporated bank or trust company, (WITHIN OR OUTSIDE) in or out of the state, authorized by the laws of the United States or (OF) the state in which it is located to perform these duties.*

Subd. 6. [PAYMENT (OF OBLIGATIONS).] The order authorizing (THE ISSUANCE OF ANY) bonds or certificates (OF INDEBTEDNESS) *to be issued may (PROVIDE FOR THE PAYMENT OF PRINCIPAL AND INTEREST IN THE MANNER AND BY THE MEANS) contain provisions that the commissioner (DEEMS) considers necessary to ensure full and prompt payment of principal and interest when due (, AND). The order may provide for (THE) payment at the office of a bank or trust company (WITHIN OR OUTSIDE) in or out of the state. (IN THE CASE OF FULLY REGISTERED BONDS OR CERTIFICATES OF INDEBTEDNESS,) The order may provide that (THE) interest (COMING) due on any interest payment date (SHALL BE) is payable to the person or entity (WHO IS) shown as the (REGISTERED) owner (ON) of the bond or certificate in the register on a specified date preceding the interest payment date, by check, draft, or other transfer to the order of (THE REGISTERED) that owner.*

Subd. 7. [AGREEMENTS.] The commissioner (OF FINANCE) may (ENTER INTO) *make agreements (CONTAIN-*

ING TERMS WHICH ARE NECESSARY OR DESIRABLE) to carry out (THE AUTHORITY GIVEN HIM IN THIS SECTION, PURSUANT TO APPLICABLE) orders (OF THE COMMISSIONER) *issued under this section*. The agreements may provide for the (PAYMENT OF COMPENSATION) *paying* for services (TO BE) performed and expenses (TO BE) incurred on behalf of the state, (AND MAY PROVIDE FOR THEIR PAYMENT) from (THE):

(1) proceeds of the bonds or certificates (OF INDEBTEDNESS, OR FROM);

(2) other money appropriated to the commissioner (OF FINANCE, OR FROM);

(3) charges to (BE IMPOSED ON THE) holders of the bonds or certificates (OF INDEBTEDNESS,); or (FROM)

(4) a combination of (THESE) sources *in clauses (1), (2), and (3)*.

Subd. 8. [APPROPRIATIONS.] (AS MUCH OF) The proceeds of the bonds or certificates (AS NECESSARY IS) *under subdivision 7* are appropriated (FOR THIS PURPOSE) *as necessary to pay expenses incurred under that subdivision*.

Subd. (8) 9. [APPROPRIATION.] (THERE IS APPROPRIATED ANNUALLY TO THE COMMISSIONER OF FINANCE FROM THE GENERAL FUND IN THE STATE TREASURY AN AMOUNT OF) *The* money (SUFFICIENT) *needed to pay when due (ALL) the* compensation and expenses (DUE TO) *of* registrars, delivery agents, and paying agents (FOR STATE BONDS AND CERTIFICATES OF INDEBTEDNESS) under (THE TERMS OF AGREEMENTS ENTERED INTO ACCORDING TO) *subdivision 7 is appropriated annually to the commissioner from the general fund*.

Subd. (9) 10. [APPROVAL BY ATTORNEY GENERAL.] (NO) *An* agreement (DESCRIBED IN) *under* subdivision 7 (SHALL BECOME) *is not* effective until (IT HAS BEEN) approved as to form and execution by the (STATE) attorney general or his designee.

Subd. (10) 11. [REGISTRATION (DATA PRIVATE) NOT PUBLIC INFORMATION.] (ALL) Information (CONTAINED) in any register (MAINTAINED BY THE STATE TREASURER OR A CORPORATE REGISTRAR WITH RESPECT TO THE) *of* ownership of (STATE) bonds or certificates (OF INDEBTEDNESS CONSTITUTES) *is* nonpublic data (AS DEFINED IN) *under* section 13.02, subdivision 9, or private data on individuals (AS DEFINED IN) *under* section 13.02, subdivision 12. The information is (NOT PUBLIC

AND IS ACCESSIBLE) *open* only to the (INDIVIDUAL, CORPORATION, OR OTHER ENTITY WHICH IS THE) subject of it, except as disclosure:

((A)) (1) is necessary for (THE PERFORMANCE OF THE DUTIES OF) the registrar, the (STATE) commissioner (OF FINANCE), the (STATE) treasurer, or the (STATE) legislative auditor (,) *to perform a duty*; or

((B)) (2) is requested by an authorized representative of the state commissioner of revenue (OR), *the state attorney general*, or (OF) the *United States* commissioner of internal revenue (OF THE UNITED STATES FOR THE PURPOSE OF ASCERTAINING) *to determine* the application of (ANY ESTATE, INHERITANCE, OR OTHER) *a tax* (,); or

((C)) (3) is required under section 13.03, subdivision 4.

Sec. 39. Minnesota Statutes 1982, section 16A.675, is amended to read:

16A.675 [(BONDS AND NOTES; NONLIABILITY OF INDIVIDUALS) *PERSONS EXECUTING OBLIGATIONS NOT LIABLE.*]

(NEITHER THE COMMISSIONER OF FINANCE NOR ANY) *No officer or other person* executing state bonds or (NOTES SHALL BE) *certificates is* liable personally on (THE BONDS OR NOTES OR BE SUBJECT TO ANY PERSONAL LIABILITY) *them* or (ACCOUNTABILITY) *accountable* by reason of (THE ISSUANCE OF) *issuing* them.

Sec. 40. Minnesota Statutes 1982, section 85A.04, subdivision 3, is amended to read:

Subd. 3. [ZOO (GIFT STORE) CONCESSION ACCOUNT.] A (WORKING CAPITAL) *concession* account is established for (THE GIFT STORE OF) the Minnesota zoological garden. *Concessions are the sale of all goods and services other than admissions, parking, food concessions, and equipment rentals.* All *concession* receipts (FROM THE GIFT STORE OPERATION) shall be deposited in the state treasury and credited to the account and are appropriated for the purposes of (THE GIFT STORE) *concession operations.* (GIFT STORE) *Concession* expenses, including inventory, personnel costs, space rental, and overhead, shall be paid from the account. (THE UNENCUMBERED BALANCE IN THE ACCOUNT ON JUNE 30 OF EACH YEAR IN EXCESS OF THE VALUE OF THE INVENTORY OF THE GIFT STORE ON JUNE 30, 1981 SHALL BE CALCULATED AND DISBURSED AS FOLLOWS:) For the (PERIODS) *years* ending June 30, 1982, and June 30, 1983, the (ENTIRE AMOUNT) *net income from concession operations reported on the income statement in the Minnesota zoological*

garden annual financial report shall be transferred to the general fund (;). For the year ending June 30, 1984, and each year thereafter the (AMOUNT ATTRIBUTABLE TO THE PERIOD JULY 1, 1982, TO JUNE 30, 1983, SHALL BE TRANSFERRED TO THE GENERAL FUND AND THE REMAINDER) net income shall be retained by the zoological garden. (ANY) The amount (SO) retained (SHALL BE DEDICATED TO) is appropriated for capital improvements at the zoological garden (AND ARE APPROPRIATED FOR THAT PURPOSE. IF IMPROVEMENTS OR EXPANSIONS ARE PLANNED FOR THE GIFT STORE OPERATION TO BE PAID WITH GIFT STORE RECEIPTS, THE PLAN MUST BE FIRST APPROVED BY THE GOVERNOR AFTER RECEIVING THE RECOMMENDATION OF THE LEGISLATIVE ADVISORY COMMISSION). The board shall include a report on the capital improvements in the report required by section 85A.02, subdivision 12.

Sec. 41. 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 construction 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, intergovernmental 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)

(l) 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 its ability to pay the costs of making major repairs to the existing system and planning and constructing an adequate replacement system at the end of the existing system's expected useful life.

Sec. 42. 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 the state independent grants program, 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 the state independent grants program, the eligible cost does not include the provision of collector sewers as defined in agency rules, the provision of service to seasonal homes, 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. 43. 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. 44. 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 independent grants 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 the state independent grants program.*

Sec. 45. 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. 46. 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 state independent grants program 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 the final grant before October 1, 1984, if the funding is necessary for the provision of increased capacity.*

Sec. 47. Minnesota Statutes 1982, section 116.18, as amended by Laws 1983, chapter 301, section 117, 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 ENDING SEPTEMBER 30, 1984.] (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.) *United States Code, title 33, sections 1251 to 1376*, at 75 per centum of the eligible cost for construction of the treatment works, state money 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.) *United States Code, title 33, sections 1251 to 1376*, at 85 percent of the eligible cost for construction of treatment works utilizing innovative or alternative wastewater treatment processes and techniques, state funds shall be expended at nine percent of the eligible cost of construction; provided, that not less than six percent of the eligible cost of construction shall be paid by the municipality or agency constructing the project. In the event that a municipality is tendered federal and state grants in a percentage cumulatively exceeding 94 percent of the eligible cost of construction, the state pollution control agency shall reduce the grant to the municipality under this chapter to the extent necessary to assure that the municipality receives no more than 94 percent of the eligible cost of construction.

(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.

Subd. 2a. [STATE MATCHING GRANTS PROGRAM BEGINNING OCTOBER 1, 1984.] For projects tendered, on or after October 1, 1984, a grant of federal money under section 201(g), section 202, 203, or 206(f) of the Federal Water Pollution Control Act, as amended, United States Code, title 33, sections 1251 to 1376, at 55 percent or more of the eligible cost for construction of the treatment works, state money appropriated under subdivision 1 must be expended for up to 15 percent of the eligible cost of construction for municipalities for which the construction would otherwise impose significant financial hardship; provided, that not less than 25 percent of the eligible cost must be paid by the municipality or agency constructing the project. If a municipality is tendered federal and state grants in a percentage cumulatively exceeding 75 percent of the eligible cost of construction, the state pollution control agency shall reduce the grant to the municipality under this chapter to the extent necessary to ensure that not less than 25 percent of the eligible cost will be paid by the municipality. The amounts of the matching grants must be based on per connection capital cost, median household income, and per capita adjusted assessed valuation.

Subd. 3a. [STATE INDEPENDENT GRANTS PROGRAM.] (a) The agency may award independent grants for projects for 50 percent or, if the agency requires advanced treatment, 65 percent of the eligible cost of construction. The agency may award independent grants for up to an additional 15 percent or, if the agency requires advanced treatment, up to an additional ten percent of the eligible cost of construction to municipalities for which the construction would otherwise impose significant financial hardship; the amounts of the additional grants shall be based on per connection capital cost, median household income, and per capita adjusted assessed valuation. 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 for projects for the control of combined sewer overflow as defined by federal regulation. Until December 31, 1990, not more than 20 percent of the total amount of grants awarded under this subdivision in any single fiscal year may be awarded to a single grantee.

(b) *Up to ten percent of the money 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 substantial economic development projects. After the first 90 percent of the total available money is 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 money 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.*

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.

Subd. 5. [FEDERAL AND OTHER FUNDS.] All federal and other funds made available for any purpose of the water pollution control fund are also appropriated to that fund.

Subd. 6. [CONTINUANCE OF APPROPRIATIONS.] None of the appropriations made in this section shall lapse until the purpose for which it is made has been accomplished or abandoned. The amount of each grant approved for disbursement from the water pollution control fund shall be and remain ap-

propriated for that purpose until the grant is fully disbursed or part or all thereof is revoked by the pollution control agency.

Sec. 48. Minnesota Statutes 1983 Supplement, section 116J.926, subdivision 3, is amended to read:

Subd. 3. [MUNICIPAL OBLIGATION.] A loan shall not be made to a municipality until it has entered into an agreement with the state providing that the municipality shall make payments of principal and interest at least equal in the aggregate to the principal amount of the loan plus interest at the rate payable on the state bonds. The annual amounts of the payments shall be determined by the commissioner of finance, and need not coincide with the principal and interest payments on the bonds. However, the amounts due each year shall be payable prior to the times transfers are required to be made pursuant to section (16A.65) 16A.641. The agreement shall obligate the municipality to levy an ad valorem property tax equal to the amounts necessary to make the payments. The amount required to be levied may be reduced by any other available amounts contained in a special fund dedicated to payment of the loan obligation.

Sec. 49. Minnesota Statutes 1982, section 136.40, subdivision 6, is amended to read:

Subd. 6. [APPROPRIATIONS TO STATE UNIVERSITY BOND ACCOUNT.] All loan payments to be deposited in the state bond fund in accordance with subdivision 2 shall be credited to the state university bond account therein. In order to reduce the amount of taxes otherwise required to be levied, in accordance with section (16A.65) 16A.641, there shall also be transferred to the state university bond account from the general fund in the state treasury, on November 1 in each year, a sum of money sufficient in amount, when added to the balance then on hand therein, to pay all Minnesota state university bonds and interest thereon due and to become due to and including July 1 in the second ensuing year. All money so credited and all income from the investment thereof is annually appropriated for the payment of such bonds and interest thereon, and shall be available in the state university bond account prior to the levy of the tax in any year required by the Constitution, Article 11, Section 7. The legislature may also appropriate to the state university bond account any other moneys in the state treasury not otherwise appropriated, for the security of Minnesota state university bonds in the event that sufficient money should not be available in the account from the sources herein appropriated, prior to the levy of such tax in any year. The commissioner of finance and treasurer are directed to make the appropriate entries in the accounts of the respective funds.

Sec. 50. Minnesota Statutes 1982, section 475A.03, subdivision 1, is amended to read:

Subdivision 1. The governing body of any municipality, upon compliance with the terms of sections 475A.01 to 475A.06 and approval of the commissioner of finance may, after July 1, 1971 and before May 1, 1984, include in general obligation bonds of the municipality issued for the purpose of providing funds (FOR ACQUISITION) to acquire or (BETTERMENT OF) to better public lands and buildings and other public improvements of a capital nature, or bonds issued to refund guaranteed bonds, the following statement or such modification thereof consistent with sections 475A.01 to 475A.06 as the secretary shall prescribe:

The payment of this bond and the interest thereon is secured by the state municipal bond guaranty fund in accordance with the Minnesota municipal debt service aid law.

The bonds may also include the designation "secured by the state municipal bond guaranty fund", and the notice of sale of such bonds may include a reference to such guaranty.

Sec. 51. Minnesota Statutes 1982, section 475A.05, subdivision 1, is amended to read:

Subdivision 1. For the purpose of providing money to be loaned to municipalities (FOR THE ACQUISITION) to acquire and (BETTERMENT OF) to better public lands and buildings and other public improvements of a capital nature, when needed to pay the principal of or interest on bonds issued for this purpose, or bonds issued to refund such guaranteed bonds, the municipal bond guaranty loan fund is created as a separate book-keeping account in the general books of account of the state. All proceeds of state bonds credited to this fund, all amounts transferred from the general fund, all guaranty fees received, and all repayments of principal and interest on loans made from the fund are appropriated for construction and other permanent improvement and shall be available until the purposes for which the appropriation was made have been accomplished, except that at any time when the balance on hand in the state municipal bond guaranty fund exceeds ten percent of the principal amount of all then outstanding bonds secured by the fund, the state may reappropriate to the general fund the balance in excess of this amount.

Sec. 52. Minnesota Statutes 1982, section 475A.05, is amended by adding a subdivision to read:

Subd. 1a. [GENERAL FUND APPROPRIATION.] In order to eliminate the need to sell Minnesota state municipal aid bonds, there is annually appropriated from the general fund to the commissioner of finance for transfer to the municipal bond guaranty loan fund the amounts needed to meet the state's obligations under sections 475A.01 to 475A.06, not to exceed a total of \$4,330,000. This subdivision does not prevent the sale of

state municipal aid bonds to the extent that the amount available for transfer from the general fund is not sufficient to meet all the state's obligations under sections 475A.01 to 475A.06.

Sec. 53. Minnesota Statutes 1982, section 475A.06, subdivision 7, is amended to read:

Subd. 7. The commissioner of finance is authorized to sell and issue Minnesota state municipal aid bonds in an aggregate principal amount not to exceed (\$20,000,000) \$4,330,000, the proceeds of which, except as provided in subdivision 1, are appropriated to the state municipal bond guaranty fund for the purpose of providing funds to be loaned to municipalities for the acquisition and betterment of public lands and buildings and other public improvements of a capital nature, when needed to pay the principal of or interest on bonds issued for this purpose or bonds issued to refund such guaranteed bonds, in accordance with the provisions of sections 475A.01 to 475A.06. The bonds shall be sold, issued, and secured as provided in subdivisions 1 to 6 and in Article XI, Section 7 of the Constitution.

Sec. 54. Laws 1983, chapter 344, section 6, subdivision 8, is amended to read:

Subd. 8. (SPLIT ROCK) *Baptism River*
Rest Area 620,000

Sec. 55. [REPEALER.]

Minnesota Statutes 1982, sections 16A.63; 16A.64, as amended by Laws 1983, chapter 301, sections 94 and 95; 16A.65; and 116.16, subdivisions 6 and 7; and Laws 1981, chapter 275; Laws 1981, chapter 334, section 11, subdivision 4; Laws 1982, chapter 639, section 5, are repealed.

Sec. 56. [EFFECTIVE DATE.]

This act is effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to capital improvements; authorizing the acquisition and betterment of 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; 16A.54; 16A.66, as amended; 16A.671; 16A.675; 85A.04, subdivision 3; 115.03, subdivision 1; 116.16, subdivisions 2, 4, 5, 9, and by adding a subdivision; 116.18, as amended; 136.40, subdivision 6; 475A.03, subdivision 1; 475A.05, subdivision 1, and by adding a subdivision; 475A.06, subdivision 7; Minnesota

Statutes 1983 Supplement, sections 16A.672; 116J.926, subdivision 3; Laws 1983, chapter 344, section 6, subdivision 8; proposing new law coded in Minnesota Statutes, chapter 16A; and repealing Minnesota Statutes 1982, sections 16A.63; 16A.64, as amended by Laws 1983, chapter 301, sections 94 and 95; 16A.65; and 116.16, subdivisions 6 and 7; and Laws 1981, chapter 275; Laws 1981, chapter 334, section 11, subdivision 4; Laws 1982, chapter 639, section 5."

We request adoption of this report and repassage of the bill.

House Conferees: DAVID BATTAGLIA, LYNDON R. CARLSON, DICK WELCH, HENRY J. KALIS and DOUGLAS W. CARLSON.

Senate Conferees: GENE WALDORF, RONALD R. DICKLICH, KEITH LANGSETH, CLARENCE M. PURFEERST and GLEN TAYLOR.

Battaglia moved that the report of the Conference Committee on H. F. No. 2314 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

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 by Conference, and placed upon its repassage.

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

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

There were 112 yeas and 17 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Bishop	Clawson	Erickson	Gruenes
Anderson, R.	Brandl	Cohen	Evans	Gustafson
Battaglia	Brinkman	Coleman	Findlay	Gutknecht
Beard	Carlson, D.	Dempsey	Forsythe	Halberg
Begich	Carlson, L.	Eken	Frerichs	Haukoos
Bennett	Clark, J.	Elioff	Graba	Heap
Bergstrom	Clark, K.	Ellingson	Greenfield	Heinitz

Hoffman	Long	Osthoff	Sarna	Tunheim
Hokr	Mann	Otis	Scheid	Uphus
Jacobs	Marsh	Pauly	Schoenfeld	Valan
Jennings	McEachern	Peterson	Schreiber	Vanasek
Jensen	McKasy	Piepho	Segal	Vellenga
Johnson	Metzen	Piper	Shaver	Voss
Kahn	Minne	Price	Shea	Waltman
Kalis	Munger	Quinn	Sherman	Welch
Kelly	Murphy	Redalen	Simoneau	Welle
Knickerbocker	Nelson, D.	Rice	Skoglund	Wenzel
Knuth	Nelson, K.	Riveness	Solberg	Wigley
Kostohryz	Neuenschwander	Rodosovich	Sparby	Wynia
Krueger	O'Connor	Rodriguez, C.	Staten	Speaker Sieben
Kvam	Ogren	Rodriguez, F.	Sviggum	
Larsen	Olsen	Rose	Swanson	
Levi	Omann	St. Onge	Tomlinson	

Those who voted in the negative were :

Blatz	Fjoslien	Norton	Schafer	Valento
Burger	Himle	Quist	Seaberg	Welker
DenOuden	Ludeman	Reif	Thiede	Zaffke
Dimler	McDonald			

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

CALL OF THE HOUSE LIFTED

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

There being no objection the order of business reverted to Messages from the Senate.

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

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 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. 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.

PATRICK E. FLAHAVEN, Secretary of the Senate

Sparby moved that the House refuse to concur in the Senate amendments to H. F. No. 1743, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

Mr. Speaker:

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

H. F. No. 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.

PATRICK E. FLAHAVEN, Secretary of the Senate

Levi moved that the House refuse to concur in the Senate amendments to H. F. No. 1279, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

Mr. Speaker:

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

which amendment the concurrence of the House is respectfully requested:

H. F. No. 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.

PATRICK E. FLAHAVEN, Secretary of the Senate

Segal moved that the House refuse to concur in the Senate amendments to H. F. No. 1347, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

ANNOUNCEMENTS BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1279:

Levi, Vanasek and Clark, J.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1743:

Sparby, Sarna and Heinitz.

MOTION FOR RECONSIDERATION

Eken moved that the vote whereby H. F. No. 1315 was not passed on Monday, April 16, 1984, be now reconsidered. The motion prevailed.

H. F. No. 1315 was reported to the House.

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; increasing the bicycle registration fee; providing criteria for fund allocation to political subdivisions; providing for reports to the legislature; providing for appointment of deputy registrars of bicycles; continu-

ing the bicycle study review commission as the advisory committee on bicycling; appropriating money; amending Minnesota Statutes 1982, sections 168C.04; 168C.11; Laws 1976, chapter 199, section 14, subdivision 1.

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

The question was taken on the passage of the bill and the roll was called. There were 90 yeas and 26 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Dempsey	Larsen	Piepho	Solberg
Battaglia	Ellingson	Levi	Piper	Sparby
Beard	Evans	Long	Price	Staten
Begich	Forsythe	Mann	Quist	Swanson
Bennett	Greenfield	McKasy	Redalen	Tomlinson
Bergstrom	Gustafson	Metzen	Reif	Tunheim
Bishop	Gutknecht	Munger	Rice	Uphus
Blatz	Halberg	Murphy	Rodosovich	Valan
Boo	Heap	Nelson, D.	Rodriguez, C.	Valento
Brandl	Heinitz	Nelson, K.	Rodriguez, F.	Vanasek
Burger	Himle	Neuenschwander	Rose	Vellenga
Carlson, D.	Hoffman	Norton	Scheid	Voss
Carlson, L.	Jacobs	Ogren	Schoenfeld	Waltman
Clark, J.	Jensen	Olsen	Schreiber	Welch
Clark, K.	Johnson	Omann	Seaberg	Welle
Clawson	Knickerbocker	Otis	Segal	Wenzel
Cohen	Knuth	Pauly	Simoneau	Wynia
Coleman	Kostohryz	Peterson	Skoglund	Speaker Sieben

Those who voted in the negative were:

DenOuden	Graba	Krueger	O'Connor	Sviggum
Dimler	Gruenes	Kvam	Osthoff	Thiede
Elioff	Jennings	Ludeman	Sarna	Welker
Findlay	Kalis	McEachern	Schafer	Wigley
Fjoslien	Kelly	Minne	Sherman	Zaffke
Frerichs				

The bill was passed and its title agreed to.

SPECIAL ORDERS, Continued

H. F. No. 2099 which was temporarily laid over earlier today was again reported to the House.

Schoenfeld moved to amend H. F. No. 2099, the first engrossment, as follows:

Page 2, delete all of line 6 and insert:

"(1) The difference between the limit of underinsured motorist coverage and the amount paid to the insured by or for

any person or organization who may be held legally liable for the bodily injury; or"

The motion prevailed and the amendment was adopted.

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 third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 118 yeas and 1 nay as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Bishop

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

MESSAGES FROM THE SENATE, Continued

The following messages were received from the Senate:

Mr. Speaker:

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

which amendment the concurrence of the House is respectfully requested:

H. F. No. 1427, 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; amending Minnesota Statutes 1982, sections 3.082; 69.775; 352.113, subdivision 3; 352.95, subdivision 1a; 353.34, by adding a subdivision; 354.62, subdivision 2; 422A.18, subdivision 3; 424.24, subdivision 2; and 490.129; 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; 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.

PATRICK E. FLAHAVEN, Secretary of the Senate

Sarna moved that the House refuse to concur in the Senate amendments to H. F. No. 1427, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

Mr. Speaker:

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

H. F. No. 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.

PATRICK E. FLAHAVEN, Secretary of the Senate

Metzen moved that the House refuse to concur in the Senate amendments to H. F. No. 1621, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

Mr. Speaker:

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

H. F. No. 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.

PATRICK E. FLAHAVEN, Secretary of the Senate

Redalen moved that the House refuse to concur in the Senate amendments to H. F. No. 432, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

Mr. Speaker:

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

H. F. No. 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.

PATRICK E. FLAHAVEN, Secretary of the Senate

Norton moved that the House refuse to concur in the Senate amendments to H. F. No. 756, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

ANNOUNCEMENTS BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1427:

Sarna, Metzen and Wigley.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1621:

Metzen, Quinn and Redalen.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 432:

Redalen, Schreiber and Knuth.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 756:

Norton, McKasy and Coleman.

Anderson, B., was excused between the hours of 7:30 p.m. and 10:45 p.m.

SPECIAL ORDERS, Continued

H. F. No. 1577 which was temporarily laid over earlier today was again reported to the House.

The Speaker called Wynia to the Chair.

Reif was excused while in conference committee.

EXCUSED FROM VOTING

Pursuant to rule 2.5, Knuth requested that he be excused from voting on H. F. No. 1577 and all amendments offered to H. F. No. 1577. The request was granted.

Carlson, D., moved to amend H. F. No. 1577, the third engrossment, as follows:

Page 2, after line 25, insert:

“Sec. 3. [115A.075] [LEGISLATIVE POLICY AGAINST DISPOSAL OF HAZARDOUS WASTE.]

The legislature finds that hazardous waste must be managed in a manner that protects the health, safety, and welfare of the citizens of the state and protects and conserves the state's natural resources and environment; that reduction of the amount of waste generated and processing, treatment, separation and resource recovery are the preferred methods to manage hazardous waste; and that disposal of hazardous waste should be used only as a last resort when all other management methods are ineffective, and then only if an environmentally suitable site can be identified in the state.

The board, in its planning, site selection, facility approval, and other activities related to hazardous waste shall give first priority to eliminating the generation of hazardous waste and elimi-

nating or reducing the hazardous character of the waste generated in the state through processing, treatment, separation, and resource recovery.

The board may not select a site or approve any facilities for the disposal of hazardous waste until the board:

(a) completes its estimate of the need for disposal facilities and adjusts that estimate based upon the most current information on the development of processing, treatment, separation, and resource recovery facilities in the state, and the availability of disposal capacity outside of the state;

(b) completes its analysis of whether a disposal facility is economically feasible; and

(c) determines and certifies that a disposal facility is needed and should be developed in the state.

If the board selects a site and approves a facility for the disposal of hazardous waste, the board may not proceed with a permit application for the facility until 180 days after the board submits the reports required by section 29."

Page 17, delete lines 6 to 20

Page 27, after line 22, insert:

"Sec. 29. [115A.281] [HAZARDOUS WASTE; FACILITY DEVELOPMENT.]

Notwithstanding any other law to the contrary, after making the decisions required by section 115A.28 the waste management board shall suspend all activity under sections 115A.18 to 115A.30 relating to the selection and evaluation of locations for hazardous waste disposal and shall not make a decision under section 115A.291, until the report on the status of processing facilities required in this section and a full report on the board's decisions under section 115A.28 have been submitted to the legislature. The reports must be submitted no later than the February 1 following the decisions under section 115A.28. After June 1, 1985, and before December 1, 1985, the waste management board shall prepare a status report on hazardous waste processing facilities indicating the amount and type of hazardous waste treatment residual and untreated material that is expected to require disposal."

Renumber sections in sequence

Correct cross references

Page 27, line 31, delete "*decisions*" and insert "*reports*"

Page 27, line 31, strike "115A.28" and insert "*section 29*"

Amend the title accordingly

A roll call was requested and properly seconded.

Sparby and Tunheim moved to amend the Carlson, D., amendment to H. F. No. 1577, the third engrossment, as follows:

Page 2, line 13, before the period, insert "*and the legislature has acted affirmatively to allow the board to proceed under section 115A.291.*"

Page 2, line 22, delete "*reports*" and insert "*affirmative action by the legislature*"

Further amend H. F. No. 1577, the third engrossment, as follows:

Page 27, line 30, strike "its"

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

CALL OF THE HOUSE

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

Anderson, G.	Dimler	Krueger	Ogren	Shea
Battaglia	Elioff	Kvam	Olsen	Sherman
Beard	Evans	Larsen	Omman	Skoglund
Begich	Findlay	Levi	Onnen	Solberg
Bennett	Fjoslien	Long	Piepho	Sparby
Bergstrom	Forsythe	Ludeman	Piper	Sviggum
Blatz	Graba	Mann	Price	Swanson
Boo	Gustafson	Marsh	Quist	Thiede
Brandl	Gutknecht	McDonald	Riveness	Tunheim
Brinkman	Halberg	McEachern	Rodosovich	Valan
Burger	Heap	McKasy	Rodriguez, C.	Valento
Carlson, D.	Himle	Metzen	Rodriguez, F.	Vanasek
Carlson, L.	Hoffman	Minne	Rose	Voss
Clark, J.	Jacobs	Munger	Sarna	Waltman
Clark, K.	Jennings	Murphy	Schafer	Welker
Clawson	Jensen	Nelson, D.	Schoenfeld	Welle
Cohen	Johnson	Nelson, K.	Schreiber	Wenzel
Coleman	Kalis	Neuenschwander	Seaberg	Zaffke
Dempsey	Knickerbocker	Norton	Segal	Speaker Sieben
DenOuden	Kostohryz	O'Connor	Shaver	

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

The question recurred on the Carlson, D., amendment, as amended, and the roll was called.

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

There were 67 yeas and 47 nays as follows:

Those who voted in the affirmative were:

Beard	Evans	Kahn	Onnen	Sherman
Bennett	Findlay	Kalis	Osthoff	Skoglund
Blatz	Forsythe	Knickerbocker	Otis	Sparby
Boo	Frerichs	Kostohryz	Piepho	Staten
Brandl	Greenfield	Larsen	Piper	Sviggum
Burger	Gruenes	Long	Redalen	Swanson
Carlson, D.	Gutknecht	Mann	Rodriguez, C.	Valan
Carlson, L.	Heap	Marsh	Rodriguez, F.	Vellenga
Clark, J.	Heinitz	McKasy	Rose	Waltman
Clark, K.	Himle	Metzen	Sarna	Wynia
Clawson	Hoffman	Murphy	Scheid	Speaker Sieben
Cohen	Hokr	Nelson, D.	Seaberg	
Ellingson	Jensen	Nelson, K.	Segal	
Erickson	Johnson	Olsen	Shaver	

Those who voted in the negative were:

Anderson, G.	Fjoslien	Neuenschwander	Rodosovich	Valento
Battaglia	Halberg	Norton	St. Onge	Vanasek
Begich	Haukoos	O'Connor	Schafer	Voss
Bergstrom	Jennings	Ogren	Schoenfeld	Welch
Bishop	Krueger	Omann	Schreiber	Welker
Brinkman	Kvam	Peterson	Shea	Wenzel
Dempsey	Levi	Price	Solberg	Zaffke
DenOuden	Ludeman	Quinn	Thiede	
Dimler	McDonald	Quist	Tunheim	
Elioff	Minne	Reif	Uphus	

The motion prevailed and the amendment, as amended, was adopted.

McDonald moved to amend H. F. No. 1577, the third engrossment, as amended, as follows:

Page 28, line 21, after "conditions." insert "No site shall be permitted for land disposal if the proposed facility is to be located within five miles of any commercial processor or producer of food for human or animal consumption, unless that processor or producer draws water from a source other than an aquifer underlying the proposed facility."

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 70 yeas and 49 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Ellingson	Johnson	Onnen	Solberg
Battaglia	Erickson	Kalis	Peterson	Sviggum
Beard	Findlay	Knickerbocker	Piepho	Thiede
Begich	Fjoslien	Kostohryz	Price	Uphus
Bennett	Frerichs	Krueger	Quinn	Valan
Bergstrom	Gutknecht	Kvam	Quist	Valento
Bishop	Halberg	Levi	Reif	Vanasek
Blatz	Haukoos	Ludeman	Rodosovich	Voss
Boo	Heap	Marsh	Rodriguez, C.	Waltman
Brinkman	Heinitz	McDonald	Rose	Weich
Clawson	Himle	Neuenschwander	St. Onge	Welker
Dempsey	Hoffman	O'Connor	Schafer	Wenzel
DenOuden	Hokr	Ogren	Schoenfeld	Wigley
Dimler	Jennings	Omann	Sherman	Zaifke

Those who voted in the negative were:

Brandl	Forsythe	Mann	Osthoff	Shaver
Burger	Graba	McKasy	Otis	Skoglund
Carlson, D.	Greenfield	Metzen	Pauly	Sparby
Carlson, L.	Grucnes	Minne	Piper	Swanson
Clark, J.	Gustafson	Munger	Rodriguez, F.	Tunheim
Clark, K.	Jacobs	Murphy	Sarna	Vellenga
Cohen	Jensen	Nelson, D.	Scheid	Welle
Coleman	Kahn	Nelson, K.	Schreiber	Wynia
Elioff	Larsen	Norton	Seaberg	Speaker-Sieben
Evans	Long	Olsen	Segal	

The motion prevailed and the amendment was adopted.

McDonald offered an amendment to H. F. No. 1577, the third engrossment, as amended.

POINT OF ORDER

Brandl raised a point of order pursuant to rule 3.10 that the amendment was not in order. The Speaker Pro tem Wynia ruled the point of order well taken and the amendment out of order.

Metzen, Price, Segal, Pauly, Long, Burger, Rose, McKasy, Olsen and Nelson, D., moved to amend H. F. No. 1577, the third engrossment, as amended, as follows:

Page 54, after line 25, insert:

"Subd. 2. [WATER SUPPLY MONITORING.] Up to ten percent of the money in the fund may be appropriated to the

commissioner of health for water supply monitoring. The commissioner shall monitor the quality of water in public water supply wells in the metropolitan area that may be affected by their location in relation to a facility for mixed municipal solid waste. Testing under this subdivision must be for substances not funded under the Federal Safe Drinking Water Act."

Renumber subdivisions and correct internal references

The motion prevailed and the amendment was adopted.

Nelson, D., moved to amend H. F. No. 1577, the third engrossment, as amended, as follows:

Page 8, line 28, after the period insert "To qualify for payments under this section a city must implement a city-wide program for separating and collecting recyclable material that is consistent with the applicable county master plan."

A roll call was requested and properly seconded.

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

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

There were 54 yeas and 59 nays as follows:

Those who voted in the affirmative were:

Battaglia	Coleman	Metzen	Osthoff	Sparby
Beard	Ellingson	Minne	Otis	Staten
Begich	Greenfield	Munger	Peterson	Swanson
Bergstrom	Hoffman	Murphy	Piper	Tomlinson
Brandl	Jacobs	Nelson, D.	Price	Tunheim
Burger	Jensen	Nelson, K.	Quinn	Vellenga
Carlson, L.	Kahn	Neuenschwander	Rodriguez, C.	Welch
Clark, J.	Kostohryz	Norton	Rodriguez, F.	Welle
Clark, K.	Larsen	Olsen	Scheid	Wynia
Clawson	Long	Omann	Simoneau	Speaker Sieben
Cohen	Marsh	Onnen	Skoglund	

Those who voted in the negative were:

Anderson, G.	Elioff	Gutknecht	Krueger	Quist
Bennett	Erickson	Halberg	Kvam	Reif
Bishop	Evans	Haukoos	Levi	Rodosovich
Blatz	Findlay	Heap	Ludeman	Rose
Brinkman	Fjoslien	Heinitz	Mann	Schafer
Carlson, D.	Forsythe	Himle	McDonald	Schoenfeld
Dempsey	Frerichs	Jennings	McKasy	Schreiber
DenOuden	Graba	Johnson	Pauly	Seaberg
Dimler	Grüenes	Knickerbocker	Piepho	Segal

Shaver
Shea
Sherman

Solberg
Sviggum
Thiede

Uphus
Valan
Valento

Waltman
Welker
Wenzel

Wigley
Zaffke

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

Voss moved to amend H. F. No. 1577, the third engrossment, as amended, as amended by the Carlson, D., amendment, as follows:

Page 2, of the Carlson, D., amendment, line 10, after "115A.-291," insert "except that the reduction in number of sites provided for in section 115A.21, subdivision 1 may be effected,"

The motion prevailed and the amendment was adopted.

Forsythe moved to amend H. F. No. 1577, the third engrossment, as amended, as follows:

Page 8, delete lines 19 to 28

Renumber the sections

Amend the title accordingly

A roll call was requested and properly seconded.

The Speaker resumed the Chair.

The question was taken on the amendment and the roll was called. There 67 yeas and 47 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Fjoslien	Knickerbocker	Piepho	Swanson
Bennett	Forsythe	Kostohryz	Quist	Thiede
Bishop	Frerichs	Krueger	Reif	Uphus
Blatz	Graba	Kvam	Rodosovich	Valan
Brinkman	Gutknecht	Levi	Rose	Valento
Burger	Halberg	Ludeman	St. Onge	Vanasek
Carlson, D.	Haukoos	Mann	Schafer	Voss
Clawson	Heap	Marsh	Schoenfeld	Waltman
Dempsey	Heinitz	McKasy	Schreiber	Welker
DenOuden	Himle	Ogren	Seaberg	Wenzel
Dimler	Hokr	Omann	Shaver	Wigley
Elioff	Jennings	Onnen	Shea	
Erickson	Jensen	Pauly	Sherman	
Findlay	Johnson	Peterson	Sviggum	

Those who voted in the negative were:

Battaglia	Brandl	Cohen	Ellingson	Gustafson
Beard	Carlson, L.	Coleman	Greenfield	Hoffman
Begich	Clark, J.	Eken	Gruenes	Jacobs

Kahn	Nelson, D.	Otis	Segal	Tunheim
Kalis	Nelson, K.	Piper	Simoneau	Vellenga
Larsen	Neuenschwander	Price	Skoglund	Wynia
Long	Norton	Rice	Solberg	Speaker Sieben
Minne	O'Connor	Rodriguez, C.	Sparby	
Munger	Olsen	Rodriguez, F.	Staten	
Murphy	Osthoff	Scheid	Tomlinson	

The motion prevailed and the amendment was adopted.

Sparby moved to amend H. F. No. 1577, the third engrossment, as amended, as follows:

Page 25, line 9, after "on" insert "*intrinsic suitability and*"

Page 25, line 12, after "information" insert "*and the inherent and natural attributes, physical features, and location of the site, the likelihood that the proposed facility would result in material harm to the public health, safety, and natural resources*"

The motion prevailed and the amendment was adopted.

Valan moved to amend H. F. No. 1577, the third engrossment, as amended, as follows:

Page 2, after line 2, insert:

"Section 1. Minnesota Statutes 1982, section 115A.03, subdivision 15, is amended to read:

Subd. 15. "*Intrinsic suitability*" of a land area or site means that, based on existing data on the inherent and natural attributes, physical features, and location of the land area or site, there is no known reason why the waste facility proposed to be located in the area or site cannot reasonably be expected to qualify for permits in accordance with agency rules. Agency certification of intrinsic suitability shall be based on data submitted to the agency by the proposing entity and data included by the hearing examiner in the record of any public hearing on recommended certification, and applied against criteria in agency rules and any additional criteria developed by the agency in effect at the time the proposing entity submits the site for certification.

In the event that all candidate sites selected by the board before the effective date of this section are eliminated from further consideration and a new search for candidate sites is commenced, "intrinsic suitability" of a land area or site shall mean that, because of the inherent and natural attributes, physical features, and location of the land area or site, the waste facility proposed to be located in the area or site would not be likely to result in material harm to the public health and safety and natural re-

sources and that therefore the proposed facility can reasonably be expected to qualify for permits in accordance with agency rules."

Renumber the sections

Correct cross references

Amend the title as follows:

Page 1, line 22, delete "subdivision" and insert "subdivisions 15 and"

The motion prevailed and the amendment was adopted.

Schreiber moved to amend H. F. No. 1577, the third engrossment, as amended, as follows:

Page 48, line 14, after "*committee*" insert "*, not to exceed 15 members,*"

Pages 50 to 57, delete sections 63 to 70

Page 57, delete lines 21 to 33

Renumber the 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.

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

There were 41 yeas and 71 nays as follows:

Those who voted in the affirmative were:

Bennett	Gutknecht	Knickerbocker	Schafer	Waltman
Blatz	Haukoos	Kvam	Schreiber	Welker
Brinkman	Heap	Levi	Sherman	Wenzel
Dempsey	Heinritz	Ludeman	Skoglund	Wigley
DenOuden	Himle	Omann	Thiede	Zaffke
Erickson	Hokr	Pauly	Uphus	
Findlay	Jennings	Piepho	Valan	
Fjoslien	Johnson	Quist	Valento	
Frerichs	Kalis	Reif	Vanasek	

Those who voted in the negative were:

Battaglia	Forsythe	McKasy	Price	Sparby
Beard	Graba	Metzen	Quinn	Staten
Begich	Greenfield	Minne	Riveness	Swanson
Bergstrom	Gruenes	Munger	Rodosovich	Tomlinson
Bishop	Gustafson	Murphy	Rodriguez, C.	Tunheim
Brandl	Halberg	Nelson, D.	Rodriguez, F.	Vellenga
Burger	Hoffman	Neuenschwander	Rose	Voss
Carlson, D.	Jacobs	Norton	St. Onge	Welch
Carlson, L.	Kahn	O'Connor	Sarna	Welle
Clark, J.	Kelly	Ogren	Scheid	Wynia
Clark, K.	Kostohryz	Onnen	Schoenfeld	Speaker Sieben
Coleman	Krueger	Osthoff	Shaver	
Elioff	Larsen	Otis	Shea	
Ellingson	Long	Peterson	Simoneau	
Evans	Marsh	Piper	Solberg	

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

Ogren moved to amend H. F. No. 1577, the third engrossment, as amended, as follows:

Page 17, line 29, after "waste" insert "*provided that none of the selected candidate sites are located over any potable water supply. Candidate sites not meeting that criterion must be eliminated from the inventory within 30 days of the effective date of this act*"

A roll call was requested and properly seconded.

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

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

There were 79 yeas and 29 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Erickson	Kostohryz	Price	Sparby
Battaglia	Findlay	Krueger	Quinn	Staten
Beard	Fjoslien	Kvam	Quist	Sviggum
Begich	Frerichs	Ludeman	Redalen	Thiede
Bennett	Graba	Mann	Reif	Tunheim
Bergstrom	Gutknecht	McDonald	Riveness	Uphus
Bishop	Haukoos	McKasy	Rodosovich	Valan
Brinkman	Heap	Metzen	Rodriguez, C.	Valento
Carlson, D.	Heinitz	Munger	Rose	Vanasek
Clark, K.	Hoffman	Murphy	St. Onge	Voss
Cohen	Hokr	Nelson, K.	Sarna	Waltman
Dempsey	Jacobs	O'Connor	Schafer	Welker
DenOuden	Jennings	Ogren	Schoenfeld	Wenzel
Dimler	Jensen	Omann	Segal	Wigley
Elioff	Johnson	Peterson	Shea	Zaffke
Ellingson	Kalis	Piepho	Sherman	

Those who voted in the negative were:

Brandl	Himle	Nelson, D.	Scheid	Swanson
Burger	Knickerbocker	Olsen	Schreiber	Tomlinson
Carlson, L.	Larsen	Onnen	Scaberg	Vellenga
Coleman	Levi	Pauly	Shaver	Welle
Gruenes	Long	Piper	Simoneau	Speaker Sieben
Halberg	Marsh	Rodriguez, F.	Skoglund	

The motion prevailed and the amendment was adopted.

Long moved to amend H. F. No. 1577, the third engrossment, as amended, as follows:

Page 37, delete line 23

Page 37, line 24, delete "*retaining a permit to operate the facility.*"

The motion prevailed and the amendment was adopted.

Wenzel and McDonald moved to amend H. F. No. 1577, the third engrossment, as amended, as follows:

Page 17, line 8, after the word "*action.*" insert "*The Minnesota Waste Management Board shall not choose a site for a hazardous waste disposal facility that is below ground.*"

A roll call was requested and properly seconded.

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

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

There were 32 yeas and 85 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Findlay	McDonald	St. Onge	Voss
Begich	Fjoslien	Minne	Schoenfeld	Welker
Bergstrom	Gustafson	Ogren	Solberg	Wenzel
DenOuden	Jennings	Omann	Sviggum	Zaffke
Dimler	Jensen	Peterson	Valan	
Elioff	Johnson	Price	Valento	
Ellingson	Ludeman	Rodosovich	Vanasek	

Those who voted in the negative were:

Beard	Brinkman	Clark, K.	Erickson	Greenfield
Bennett	Burger	Cohen	Evans	Gruenes
Blatz	Carlson, D.	Coleman	Forsythe	Gutknecht
Boo	Carlson, L.	Dempsey	Frerichs	Haukoos
Brandl	Clark, J.	Eken	Graba	Heap

Heinitz	Larsen	Onnen	Rose	Swanson
Himle	Mann	Otis	Schafer	Thiede
Hoffman	Marsh	Pauly	Scheid	Tomlinson
Hokr	McKasy	Piepho	Schreiber	Tunheim
Jacobs	Metzen	Piper	Seaberg	Uphus
Kahn	Munger	Quinn	Segal	Vellenga
Kalis	Murphy	Quist	Shaver	Waltman
Kelly	Nelson, D.	Redalen	Shea	Welch
Knickerbocker	Nelson, K.	Reif	Simoneau	Welle
Kostohryz	Norton	Riveness	Skoglund	Wigley
Krueger	O'Connor	Rodriguez, C.	Sparby	Wynia
Kvam	Olsen	Rodriguez, F.	Staten	Speaker Sieben

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

Fjoslien moved to amend H. F. No. 1577, the third engrossment, as amended, as follows:

Page 39, lines 28 to 36, delete section 47 from the bill

Renumber subsequent sections

Amend the title as follows:

Page 1, line 28, delete ", and by adding a subdivision"

The motion prevailed and the amendment was adopted.

Thiede and Sviggum offered an amendment to H. F. No. 1577, the third engrossment, as amended.

POINT OF ORDER

Long raised a point of order pursuant to rule 3.9 that the amendment was not in order. The Speaker ruled the point of order well taken and the amendment out of order.

Welker moved to amend H. F. No. 1577, the third engrossment, as amended, as follows:

Page 2, after line 25, insert a section to read:

"Sec. 3. Notwithstanding the provisions of Minnesota Statutes 1982, section 115A.06, subdivision 4, the Minnesota Waste Management Board may not direct the commissioner of Administration to acquire, by condemnation or eminent domain, any interest in real estate for the purpose of establishing a land disposal site for hazardous waste, unless the legislature shall first ratify the commissioner's use of condemnation proceedings for the acquisition of specified property."

A roll call was requested and properly seconded.

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

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

There were 26 yeas and 86 nays as follows:

Those who voted in the affirmative were:

Bishop	Findlay	Jensen	Quist	Valento
Boo	Fjoslien	Johnson	Schafer	Vanasek
Dempsey	Frerichs	Ludeman	Sviggum	Voss
DenOuden	Gutknecht	Marsh	Thiede	Waltman
Dimler	Jennings	McDonald	Uphus	Welker
Erickson				

Those who voted in the negative were:

Anderson, B.	Ellingson	Larsen	Otis	Sherman
Battaglia	Forsythe	Long	Pauly	Skoglund
Beard	Graba	Mann	Peterson	Solberg
Begich	Greenfield	McEachern	Piper	Sparby
Bennett	Gruenes	Metzen	Price	Swanson
Bergstrom	Gustafson	Minne	Quinn	Tomlinson
Blatz	Haukoos	Munger	Riveness	Tunheim
Brandl	Heap	Murphy	Rodosovich	Vellenga
Brinkman	Himle	Nelson, D.	Rodriguez, C.	Welch
Burger	Hoffman	Nelson, K.	Rodriguez, F.	Welle
Carlson, D.	Hokr	Neuenschwander	St. Onge	Wenzel
Carlson, L.	Jacobs	Norton	Scheid	Wynia
Clark, J.	Kahn	O'Connor	Schoenfeld	Zaffke
Clark, K.	Kalis	Ogren	Schreiber	Speaker Sieben
Cohen	Kelly	Olsen	Seaberg	
Coleman	Knickerbocker	Omann	Segal	
Eken	Kostohryz	Onnen	Shaver	
Elioff	Krueger	Osthoff	Shea	

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

MOTION FOR RECONSIDERATION

Kalis moved that the vote whereby the Carlson, D., amendment to H. F. No. 1577, the third engrossment, as amended, was adopted earlier today be now reconsidered.

A roll call was requested and properly seconded.

The question was taken on the Kalis motion and the roll was called.

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

There were 50 yeas and 73 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Fjoslien	McEachern	Price	Solberg
Anderson, G.	Graba	Metzen	Quinn	Thiede
Battaglia	Jennings	Minne	Quist	Tunheim
Begich	Jensen	Munger	Riveness	Valento
Bergstrom	Kalis	Neuenschwander	Rodosovich	Vanasek
Bishop	Kostohryz	Norton	Rose	Voss
Brinkman	Krueger	O'Connor	St. Onge	Welch
Clawson	Ludeman	Ogren	Schoenfeld	Welker
DenOuden	Mann	Peterson	Schreiber	Wenzel
Dimler	McDonald	Piper	Shea	Zaffke

Those who voted in the negative were:

Beard	Ellingson	Jacobs	Onnen	Skoglund
Bennett	Erickson	Johnson	Osthoff	Sparby
Blatz	Findlay	Kahn	Otis	Staten
Boo	Frerichs	Kelly	Pauly	Sviggum
Brandl	Greenfield	Knickerbocker	Piepho	Swanson
Burger	Gruenes	Larsen	Redalen	Tomlinson
Carlson, D.	Gustafson	Levi	Reif	Uphus
Carlson, L.	Gutknecht	Long	Rodriguez, C.	Valan
Clark, J.	Halberg	Marsh	Rodriguez, F.	Vellenga
Clark, K.	Haukoos	McKasy	Schafer	Waltman
Cohen	Heap	Murphy	Scheid	Welle
Coleman	Heinitz	Nelson, D.	Seaberg	Wigley
Dempsey	Himle	Nelson, K.	Segal	Wynia
Eken	Hoffman	Olsen	Shaver	
Elioff	Hokr	Omann	Sherman	

The motion did not prevail.

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 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 15 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; 400.162; 473.181, subdivision 4; 473.801, subdivisions 1 and 4; 473.803, subdivisions 2, 3, and by adding a subdivision; 473.811, subdivision 10; 473.833, subdivision 4; Minnesota Stat-

utes 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 473; 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 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.

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

There were 125 yeas and 2 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Knickerbocker Skoglund

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

The following conference committee report was received:

CONFERENCE COMMITTEE REPORT ON H. F. NO. 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 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.

April 18, 1984

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

The Honorable Jerome M. Hughes
President of the Senate

We, the undersigned conferees for H. F. No. 1393, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment and that H. F. No. 1393 be further amended as follows:

Delete everything after the enacting clause and insert:

“ARTICLE 1

FOUNDATION AID

Section 1. [124.175] [AFDC PUPIL COUNT.]

Each year by March 1, the department of public welfare shall certify to the department of education, for each school district, the number of pupils from families receiving aid to families with dependent children who were enrolled in a public school on October 1 of the preceding year.

Sec. 2. 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. 3. Minnesota Statutes 1983 Supplement, section 124.2122, subdivision 1, is amended to read:

Subdivision 1. [FORMULA ALLOWANCE.] “Foundation aid formula allowance” or “formula allowance” means the amount of revenue per pupil unit used in the computation of foundation aid for a particular school year and in the computation of permissible levies for use in that school year. (THE FORMULA ALLOWANCE SHALL BE \$1,346 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 \$1,585 for the 1984 payable 1985 levies and for foundation aid for the 1985-1986 school year.*

Sec. 4. 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 MINIMUM AID. 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 .0235 for the 1984 payable 1985 levies and for foundation aid for the 1985-1986 school year.*

Sec. 5. 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. 6. 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 2e, *clause (1)(b)*, and 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 8b, 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 clause (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. 7. 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, subdivision 1, had been effective for the 1980-1981 school year by the actual pupil units in the district in the 1980-1981 school year.

(b) *For the 1984-1985 school year, multiply the result in clause (a) by one. For the 1985-1986 school year and school years thereafter, multiply the result in clause (a) by two.*

(c) Divide the formula allowance for the school year by \$1265.

((C)) (d) Multiply the result in clause ((A)) (b) by the result in clause ((B)) (c).

((D)) (e) Subtract 1.25 from the training and experience index, and multiply the difference by \$300 for the 1984-1985 school year, or \$400 for the 1985-1986 school year and thereafter.

((E)) (f) Select the greater of the result in clause ((D)) (e) or zero.

((F)) (g) Add the results of clauses ((C)) (d) and ((E)) (f).

Sec. 8. 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 for the 1984-1985 school year. For the 1985-1986 school year and thereafter, the fourth tier allowance is the result of the following computation:

(a) Subtract 1.25 from the training and experience index, and multiply the difference by \$150.

(b) Select the greater of the result in clause (a) or zero.

(c) Add \$100 to the result of clause (b).

Sec. 9. Minnesota Statutes 1983 Supplement, section 124A.14 is amended to read:

124A.14 [FIFTH TIER AID WITH 50 PERCENT EQUALIZING FACTOR.]

Subdivision 1. [TOTAL TIER ALLOWANCE.] *"Total tier allowance" shall mean the sum of the cost differential tier allowance, second tier allowance, third tier allowance, and fourth tier allowance, as defined in this chapter.*

Subd. 2. [PREVIOUS FORMULA AMOUNT.] *"Previous formula amount" shall mean:*

(a) *the sum of the grandfather revenue, replacement revenue, discretionary revenue, and low fund balance revenue the district would have received for the 1984-1985 school year if the provisions of Minnesota Statutes 1982, sections 124.2123, 124.2124, 124.2125, and 124.2128 had been effective for the 1984-1985 school year, divided by*

(b) *the 1984-1985 actual pupil units.*

(c) *The computations in this subdivision shall be made assuming that the district would have been entitled to and would have levied the maximum allowable under Minnesota Statutes 1982, section 275.125, subdivision 7a, and that no levy or aid reduction would have been made according to Minnesota Statutes 1982, section 275.125, subdivision 7c.*

Subd. 3. [MINIMUM INCREASE.] *"Minimum increase" shall mean the amount equal to \$25 times the 1984-1985 total pupil units, divided by the 1984-1985 actual pupil units.*

Subd. 4. [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, REPLACE-

MENT 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, SUBDIVISIONS 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.)

((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) *previous formula amount plus the minimum increase minus the total tier allowance for the current year. If this result is less than zero, the fifth tier allowance shall equal zero.*

Subd. (2) 5. [FIFTH TIER REVENUE.] A district's fifth tier revenue for each school year shall equal the fifth tier allowance times its actual pupil units for that school year.

Subd. (3) 6. [FIFTH TIER AID.] A district's fifth tier aid shall be the result of the following computation:

(1) Subtract the amount of the fifth tier levy from the amount of the fifth tier revenue.

(2) Divide the actual fifth tier levy by the permitted fifth tier levy.

(3) Multiply the result in clause (1) by the result in clause (2).

Sec. 10. Minnesota Statutes 1983 Supplement, section 124A.16, is amended to read:

124A.16 [COMMENCEMENT OF TIER REVENUE.]

Subdivision 1. [(TOTAL TIER ALLOWANCE) DEFINITIONS.] "Total tier allowance," "previous formula amount," and "minimum increase" shall (MEAN THE SUM OF THE ALLOWANCES FROM THE TIERS SPECIFIED IN SECTIONS 124A.06, 124A.08, 124A.10, 124A.12, AND 124A.14) *have the meanings given them in section 124A.14.*

Subd. 2. [(PREVIOUS FORMULA AMOUNT.] "PREVIOUS FORMULA AMOUNT" SHALL MEAN THE REVENUE PER ACTUAL PUPIL UNIT FROM THE PREVIOUS FORMULA AS SPECIFIED IN SECTION 124A.14, SUBDIVISION 1, CLAUSES (A) AND (B).)

(SUBD. 3. [MINIMUM INCREASE.] "MINIMUM INCREASE" SHALL MEAN THE AMOUNT EQUAL TO \$25 TIMES THE TOTAL PUPIL UNITS IN THE 1984-1985 SCHOOL YEAR, DIVIDED BY THE ACTUAL PUPIL UNITS IN THE 1984-1985 SCHOOL YEAR.)

(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 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.

Subd. (5) 3. The revenue permitted by this section shall be accorded to the lowest numbered tiers, beginning with the cost differential tier.

Subd. (6) 4. The permitted total revenue per actual pupil unit specified in subdivision (4) 2 shall be determined prior to the reduction according to section 275.125, subdivision 7e.

Sec. 11. 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 dis-

trict, 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. 12. 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 dis-

tributed pursuant to part (b). The commissioner shall follow the apportionment formula prescribed in clause (1).

(b) If an electric power plant owned by and providing the primary source of power for a taxpayer mining and concentrating taconite is located in a county other than the county in which the mining and the concentrating processes are conducted, one cent per taxable ton of the tax distributed to the counties pursuant to part (a) and imposed on and collected from such taxpayer shall be distributed by the commissioner of revenue to the county in which the power plant is located.

(c) Four cents per taxable ton shall be paid to the county from which the taconite was mined, quarried or concentrated to be deposited in the county road and bridge fund. If the mining, quarrying and concentrating, or separate steps in any of those processes are carried on in more than one county, the commissioner shall follow the apportionment formula prescribed in clause (1).

(5) (a) 25.75 cents per taxable ton, less any amount required to be distributed under part (b), to the taconite property tax relief account in the apportionment fund in the state treasury, to be distributed as provided in sections 273.134 to 273.136.

(b) If an electric power plant owned by and providing the primary source of power for a taxpayer mining and concentrating taconite is located in a county other than the county in which the mining and the concentrating processes are conducted, .75 cent per taxable ton of the tax imposed and collected from such taxpayer shall be distributed by the commissioner of revenue to the county and school district in which the power plant is located as follows: 25 percent to the county and 75 percent to the school district.

(6) One cent per taxable ton to the state for the cost of administering the tax imposed by section 298.24.

(7) Three cents per taxable ton shall be deposited in the state treasury to the credit of the iron range resources and rehabilitation board account in the special revenue fund for the purposes of section 298.22. The amount determined in this clause shall be increased in 1981 and subsequent years in the same proportion as the increase in the steel mill products index as provided in section 298.24, subdivision 1. The amount distributed pursuant to this clause shall be expended within or for the benefit of a tax relief area defined in section 273.134. No part of the fund provided in this clause may be used to provide loans for the operation of private business unless the loan is approved by the governor and the legislative advisory commission.

(8) .20 cent per taxable ton shall be paid in 1979 and each year thereafter, to the range association of municipalities and

schools, for the purpose of providing an area wide approach to problems which demand coordinated and cooperative actions and which are common to those areas of northeast Minnesota affected by operations involved in mining iron ore and taconite and producing concentrate therefrom, and for the purpose of promoting the general welfare and economic development of the cities, towns and school districts within the iron range area of northeast Minnesota.

(9) the amounts determined under clauses (4)(a), (4)(c), and (5) shall be increased in 1979 and subsequent years in the same proportion as the increase in the steel mill products index as provided in section 298.24, subdivision 1.

(10) the proceeds of the tax imposed by section 298.24 which remain after the distributions in clauses (1) to (9) and parts (a) and (b) of this clause have been made shall be divided between the taconite environmental protection fund created in section 298.223 and the northeast Minnesota economic protection 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 allow-

able 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. 13. [ISOLATED SCHOOL AID.]

In the 1984-1985 school year, a district having more than 2,500 square miles in area and operating six or more secondary schools shall receive aid equal to \$50 times the actual pupil units in that school year.

Sec. 14. [AID SUBTRACTION INCREASE.]

The legislature intends that, as a result of changes in school district levy limitations in this article, articles 2 and 4, the aid subtraction required by section 124.155 will be increased by an estimated \$2,283,000 for fiscal year 1985.

Sec. 15. [REPEALER.]

Minnesota Statutes 1982, section 124.212, subdivision 1, is repealed.

Sec. 16. [APPROPRIATION.]

There is appropriated from the general fund to the department of education the sum of \$166,500 for isolated school aid for fiscal year 1985.

Sec. 17. [EFFECTIVE DATE.]

Section 12 is effective for the distribution required to be made on July 15, 1984, and for distributions thereafter.

ARTICLE 2

SUMMER PROGRAMS

Section 1. Minnesota Statutes 1982, section 124.20, is amended to read:

124.20 [AID FOR SUMMER (SCHOOL) PROGRAMS AND FLEXIBLE SCHOOL YEAR CLASSES.]

Subdivision 1. [PROGRAMS.] Foundation aid for (1) summer (SCHOOL CLASSES) *programs* 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) *programs* 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) *programs* and inter-session classes of flexible school year programs, the following phrases shall have the meanings given them.

(1) "Summer (SCHOOL) *program* pupil units" means full-time equivalent pupil units for summer (SCHOOL CLASSES) *programs* and inter-session classes of flexible school year programs computed under the provisions of section 124.17.

(2) "Summer (SCHOOL) *program* instructional revenue allowance" means an amount equal to the product of the number of summer (SCHOOL) *program* 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 program revenue allowance" means an amount equal to the sum of a district's summer program instructional revenue allowance and summer educational improvement revenue allowance.

(5) "Summer (SCHOOL) *program* aid" means aid for summer (SCHOOL) *programs* and inter-session classes of flexible school year programs.

Subd. 4. [SUMMER PROGRAM AID.] In fiscal year 1986 and each year thereafter, a district shall receive summer program 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 program is offered; times*

(b) *the district's total summer program revenue allowance; and*

(2) *the levy certified by the district pursuant to section 275.125, subdivision 2k, in the calendar year before the summer program is offered.*

Subd. 5. [AID ADJUSTMENT.] The department of education shall adjust the summer program 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 program levy limitations for districts where actual pupil membership differs from estimated pupil membership.

Subd. 6. [AUTHORIZED USE OF SUMMER PROGRAM AID AND LEVY.] (a) Beginning with the 1985 summer program, a school board may use the proceeds of the aid and levy received pursuant to this section and section 275.125, subdivision 2k, only for summer programs that are offered for credit or required for graduation or that provide academic enrichment or remediation. The proceeds may not be used for recreational sports, leisure activities, entertainment, recreational activities, crafts, hobbies, or any other classes of a similar nature. Summer programs for a handicapped pupil shall relate to the pupil's individual education plan.

(b) *The proceeds may also be used 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) PROGRAM LEVY.] In 1984 and each year thereafter, a district may levy for summer (SCHOOL PROGRAMS FOR HANDICAPPED PUPILS) *programs* an amount equal to the following product:

(a) The district's estimated *total* summer (SCHOOL) *program* revenue allowance as defined in section (124.201) 124.20, subdivision 2, (CLAUSE (2)) for the summer (SCHOOL) *program* 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; 1985 SUMMER PROGRAMS.] *In addition to the levy authorized in subdivision 2k, a district for which the summer program instructional revenue allowance for the 1985 summer program is less than an amount equal to \$20 times the number of actual pupil units in the district in the regular 1984-1985 school year prior to the summer program may levy an amount computed as follows:*

(a) \$20 times the number of actual pupil units in the district in the regular 1984-1985 school year, minus

(b) the amount of the summer program instructional revenue allowance for the 1985 summer program.

This levy shall be used for the same purposes for which the summer program instructional revenue allowance may be used.

Sec. 8. [REPEALER.]

Subdivision 1. Minnesota Statutes 1982, section 275.125, subdivisions 2g and 2h, 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, 4, and 5 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 programs 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;*

(2) *the commissioner has been employed as an administrator by the district that is a party to the hearing;*

(3) *the commissioner has been involved in the selection of the administrators of the district that is a party to the hearing;*

(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;*

(5) *the appeal challenges a state or local policy which was developed with substantial involvement of the commissioner; 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 and competent 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 or competence 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 any 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. [121.882] [EARLY CHILDHOOD AND FAMILY EDUCATION PROGRAMS.]

Subdivision 1. [ESTABLISHMENT.] A district that provides a community education program may establish an early childhood and family education program. Two or more districts, each of which provides a community education program, may cooperate to jointly provide an early childhood and family education program.

Subd. 2. [PROGRAM CHARACTERISTICS.] Early childhood and family education programs are programs for children in the period of life from birth to kindergarten and for the parents of such children. The programs may include the following:

- (1) *programs to educate parents about the physical, mental, and emotional development of children;*
- (2) *programs to enhance the skills of parents in providing for their children's learning and development;*
- (3) *learning experiences for children and parents;*
- (4) *activities designed to detect children's physical, mental, emotional, or behavioral problems that may cause learning problems;*
- (5) *educational materials which may be borrowed for home use;*

(6) information on related community resources; or

(7) other programs or activities.

The programs shall not include activities for children that do not require substantial involvement of the children's parents.

Subd. 3. [SEPARATE ACCOUNTS.] The district shall maintain a separate account within the community education fund for money for early childhood and family education programs.

Subd. 4. [PARTICIPANTS' FEES.] A district may charge a reasonable fee but it shall waive the fee for a participant unable to pay.

Subd. 5. [ADDITIONAL FUNDING.] A district may receive funds from any governmental agency or private source.

Subd. 6. [COORDINATION.] A district is encouraged to coordinate the program with its special education and vocational education programs and with related services provided by other governmental agencies and nonprofit agencies.

Subd. 7. [DISTRICT ADVISORY COUNCILS.] The school board shall appoint an advisory council from the area in which the program is provided. A majority of the council shall be parents participating in the program. The council shall assist the board in developing, planning, and monitoring the early childhood and family education program. The council shall report to the school board and the community education advisory council.

Subd. 8. [TEACHERS.] A school board shall employ necessary qualified teachers for its early childhood and family education programs.

Subd. 9. [ASSISTANCE.] The department of education shall provide assistance to districts with programs described in this section.

Subd. 10. [RULES.] The state board of education may adopt rules about program facilities, staff, services, and procedures.

Sec. 2. 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) a district which is operating a community education program in compliance with rules promulgated by the state board shall re-

ceive 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. 3. [124.2711] [EARLY CHILDHOOD AND FAMILY EDUCATION AID.]

Subdivision 1. [DEFINITION OF MAXIMUM REVENUE.] Beginning for fiscal year 1986 and each year thereafter

the "maximum revenue" for early childhood and family education programs for a school year means the amount of revenue equal to the product of five percent of the foundation aid formula allowance for the current school year, times the greater of (a) 150, or (b) the number of people under five years of age residing in the district on September 1 of the preceding school year.

Subd. 2. [POPULATION.] For the purposes of subdivision 1, data reported to the department of education according to the provisions of section 120.095 may be used to determine the number of people under five years of age residing in the district. The commissioner, with the assistance of the state demographer, shall review the number reported by any district operating an early childhood and family education program. If requested, the district shall submit to the commissioner an explanation of its methods and other information necessary to document accuracy. If the commissioner determines that the district has not provided sufficient documentation of accuracy, the commissioner may request the state demographer to prepare an estimate of the number of people under five years of age residing in the district and may use this estimate for the purposes of subdivision 1.

Subd. 3. [AID.] In fiscal year 1986 and thereafter, if a district complies with the provisions of section 1 of this article, it shall receive early childhood and family education aid equal to:

(a) the difference between the maximum revenue, according to subdivision 1, and the permitted levy attributable to the same school year, according to section 275.125, subdivision 8b, times

(b) the ratio of the district's actual levy to its permitted levy attributable to the same school year, according to section 275.125, subdivision 8b.

Subd. 4. [USE OF REVENUE RESTRICTED.] The proceeds of the aid authorized by this section and the levy authorized by section 275.125, subdivision 8b, shall be used only for early childhood and family education programs.

Sec. 4. 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 or early childhood and family education aid pursuant to section 3 of this article shall continue to meet licensure requirements as a teacher. A person who teaches in a community education course which is offered for credit for gradua-

tion 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. 5. 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 and 129B.06 to 129B.09, and section 1 of this article. 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 writ-

ten 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.

Sec. 6. Minnesota Statutes 1982, section 275.125, is amended by adding a subdivision to read:

Subd. 8b. [EARLY CHILDHOOD AND FAMILY EDUCATION LEVY.] A district may levy for its early childhood and family education program. The amount levied shall not exceed the lesser of:

(a) .4 mill times the adjusted assessed valuation of the district for the year preceding the year the levy is certified, or

(b) the maximum revenue as defined in section 3 of this article, subdivision 1, for the school year for which the levy is attributable.

Sec. 7. 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. 8. [EARLY CHILDHOOD AND FAMILY EDUCATION AID FOR FISCAL YEAR 1985.]

Each district that provided an early childhood and family education program funded by the council on quality education during the 1982-1983 school year is entitled to receive aid in fiscal year 1985 to continue the program. The aid shall be in addition to community education aid. The aid shall equal (a) \$11,000, minus (b) the amount of aid received pursuant to Minnesota Statutes 1983 Supplement, section 124.271, subdivision 2b, clause (3). However, a district that has not established a community education program shall receive no aid under this section.

Sec. 9. [REPEALER.]

Minnesota Statutes 1982, sections 129B.06; 129B.07; 129B.08; and 129B.09, as amended by Laws 1983, chapters 260, section 29, and 314, articles 6, section 33, and 9, sections 8 and 9, are repealed.

Sec. 10. [APPROPRIATION; EARLY CHILDHOOD AND FAMILY EDUCATION.]

There is appropriated from the general fund to the department of education for fiscal year 1985 the sum of \$116,500. Of this sum \$101,500 is for aid to districts for fiscal year 1985 according to section 8 of this article. The aid shall be paid at 100 percent of the entitlement for fiscal year 1985. The remaining \$15,000 is for the department of education for personnel service contracts to provide assistance to districts.

Sec. 11. [EFFECTIVE DATE.]

Section 4 is effective the day following final enactment. Sections 1, 3, and 9 are effective July 1, 1985.

ARTICLE 5

VOCATIONAL EDUCATION

Section 1. Minnesota Statutes 1982, section 120.05, subdivision 2, is amended to read:

Subd. 2. [DEFINITIONS.] (1) Elementary school means any school with building, equipment, courses of study, class schedules, enrollment of pupils ordinarily in grades one through six or any portion thereof and staff meeting the standards established by the state board of education.

(a) The state board of education shall not close a school or deny any state aids to a district for its elementary schools because of enrollment limitations classified in accordance with the provisions of subdivision 2, clause (1).

(2) Middle school means any school other than a secondary school giving an approved course of study in a minimum of three consecutive grades above fourth but below tenth with building, equipment, courses of study, class schedules, enrollment and staff meeting the standards established by the state board of education.

(3) Secondary school means any school with building, equipment, courses of study, class schedules, enrollment of pupils ordinarily in grades seven through twelve or any portion thereof and staff meeting the standards established by the state board of education.

(4) A vocational center school is one serving a group of secondary schools with approved areas of secondary vocational training and offering vocational secondary and adult programs necessary to meet local needs and meeting standards established by the state board of education.

(5) An area (VOCATIONAL-TECHNICAL) *vocational technical* school is a school (ORGANIZED ACCORDING TO SECTION 121.21, AND) *operated according to the* standards established by the state board of *vocational technical* education.

Sec. 2. Minnesota Statutes 1982, section 120.06, is amended to read:

120.06 [ADMISSION TO PUBLIC SCHOOL.]

Subdivision 1. [AGE LIMITATIONS; PUPILS.] All schools supported in whole or in part by state funds are public schools. Admission to a public school, *except an area vocational technical institute*, is free to any person who resides within the district which operates the school, who is under 21 years of age, and who satisfies the minimum age requirements imposed by this section. Notwithstanding the provisions of any law to the contrary, the conduct of all students under 21 years of age attending a public secondary school shall be governed by a single set of reasonable rules and regulations promulgated by the local board of education. No person shall be admitted to any public school after September 1, 1971, (1) as a kindergarten student, unless he is at least five years of age on September 1 of the calendar year in which the school year for which he seeks admission commences; or (2) as a first grade student, unless he is at least six years of age on September 1 of the calendar year in which the school year for which he seeks admission commences or has completed kin-

dergarten; except that any school board may establish a policy for admission of selected pupils at an earlier age.

Sec. 3. Minnesota Statutes 1982, section 121.09, is amended to read:

121.09 [ADMINISTRATION; EXCEPTIONS.]

The commissioner shall administer all laws and rules promulgated by the board relating to libraries and other public educational institutions, except such laws as may relate to the University of Minnesota (AND TO THE), state universities (AND), community colleges, and area vocational technical institutes.

Sec. 4. Minnesota Statutes 1982, section 121.21, is amended to read:

121.21 [AREA (VOCATIONAL-TECHNICAL) VOCATIONAL TECHNICAL SCHOOLS.]

Subdivision 1. The board of any independent or special district may petition the state board of vocational technical education to classify one or more of its schools as an area (VOCATIONAL-TECHNICAL) vocational technical school.

Subd. 2. Upon receipt of such petition, the state board shall examine the petition and any supporting evidence which it may require. The state board shall conduct hearings, and may investigate school records and such other facts relating to (VOCATIONAL-TECHNICAL) vocational technical training as it may deem appropriate.

Subd. 3. It is the purpose of this section to more nearly equalize the educational opportunities in certain phases of (VOCATIONAL-TECHNICAL) vocational technical education to persons of the state who are of the age and maturity to profitably pursue training for a specific occupation. If the state board finds, as a result of its inquiry, that the establishment of an area (VOCATIONAL-TECHNICAL) vocational technical school, according to the petition, would further the educational interests of all the people of the state, and is in accordance with the plans and program of the state department for the vocational and technical education of the people, it may approve the petition.

Subd. 4. If the petition is approved, the school shall be established by the district and classified by the state board as an area (VOCATIONAL-TECHNICAL) vocational technical school and conducted under the general supervision of the state board in accordance with the policy and rules (AND REGULATIONS) of the state board. Notwithstanding the provisions of subdivision 3 and of this subdivision, after June 30, 1975 no area (VOCA-

TIONAL-TECHNICAL) *vocational technical* school shall be established unless specific legislation has authorized its establishment.

Subd. 4a. No district shall expend funds from any source for the acquisition or betterment of lands or buildings or for capital improvements needed for an area (VOCATIONAL-TECHNICAL) *vocational technical* school without the approval of the state board and authorization by specific legislative act if that acquisition, betterment or capital improvement requires the expenditure of \$250,000 or more, or adds more than 1,000 gross square feet to a post-secondary vocational facility, or requires the issuance of school district bonds. No acquisition or betterment of lands or buildings or capital improvement which requires the expenditure of \$50,000 or more but less than \$250,000 or which changes the perimeter walls of an existing facility shall be carried out without the approval of the state board. No acquisition or betterment of lands or buildings or capital improvement which requires the expenditure of less than \$50,000, which does not change a perimeter wall and which does not require the issuance of school district bonds, shall be carried out without the approval of the (COMMISSIONER) *state director of vocational technical* education. As used in this subdivision, the terms "acquisition" and "betterment", as applied to lands and buildings, and "capital improvement" shall have the meanings ascribed to them in chapter 475, but shall not include the acquisition or betterment of machinery or equipment.

(SUBD. 6. THE STATE BOARD FOR VOCATIONAL EDUCATION SHALL PROMULGATE, PURSUANT TO CHAPTER 14, SUCH RULES GOVERNING THE OPERATION AND MAINTENANCE OF SCHOOLS SO CLASSIFIED AS WILL AFFORD THE PEOPLE OF THE STATE AN EQUAL OPPORTUNITY TO ACQUIRE PUBLIC VOCATIONAL AND TECHNICAL EDUCATION. RULES RELATING TO POST-SECONDARY VOCATIONAL-TECHNICAL EDUCATION SHALL NOT INCORPORATE THE PROVISIONS OF THE STATE PLAN FOR VOCATIONAL EDUCATION BY REFERENCE.)

(THE RULES SHALL PROVIDE FOR, BUT ARE NOT LIMITED TO, THE FOLLOWING:)

((A) THE AREA TO BE SERVED BY EACH SCHOOL, WHICH MAY INCLUDE ONE OR MORE DISTRICTS OR PARTS THEREOF;)

((B) CURRICULUM AND STANDARDS OF INSTRUCTION AND SCHOLARSHIP;)

((C) ATTENDANCE REQUIREMENTS AND MINNESOTA NON-RESIDENT ATTENDANCE;)

((D) THE DISTRIBUTION AND APPORTIONMENT TO THE LOCAL DISTRICTS OF ALL FUNDS, WHETHER STATE OR FEDERAL OR OTHER FUNDS, WHICH MAY BE MADE AVAILABLE TO THE STATE BOARD FOR VOCATIONAL EDUCATION FOR CARRYING OUT THE PURPOSES OF POST-SECONDARY VOCATIONAL-TECHNICAL EDUCATION IN ACCORDANCE WITH LAW; AND)

((E) GENERAL ADMINISTRATIVE MATTERS.)

Subd. 8. Any property of the state administered by the state board (FOR VOCATIONAL EDUCATION) in connection with teaching vocational education may be apportioned and distributed by the state board (FOR VOCATIONAL EDUCATION) to local school districts desiring to avail themselves of the benefits of this section.

Subd. 11. The state board (FOR VOCATIONAL EDUCATION) may contract for hospital benefits and medical benefits coverage for students in the same manner as authorized by section 43A.23 for state employees.

Sec. 5. Minnesota Statutes 1982, section 121.212, subdivision 1, is amended to read:

Subdivision 1. Any school board or joint school board operating an area (VOCATIONAL-TECHNICAL) *vocational technical* school, pursuant to section (121.21) *136C.07*; Laws 1967, Chapter 822, as amended; Laws 1969, Chapter 775, as amended; or Laws 1969, Chapter 1060, as amended, may make, adopt and enforce rules, regulations or ordinances for the regulation of traffic and parking in parking facilities and on private roads and roadways situated on property owned, leased, occupied or operated by the board.

Sec. 6. Minnesota Statutes 1982, section 121.213, is amended to read:

121.213 [AREA (VOCATIONAL - TECHNICAL) VOCATIONAL TECHNICAL INSTITUTES AND COMMUNITY COLLEGES; LEGAL COUNSELING AND SERVICE PROGRAMS.]

Notwithstanding the provisions of sections 8.06 and 136.11 or any rules (OR REGULATIONS) adopted pursuant thereto, an area (VOCATIONAL - TECHNICAL) *vocational technical* institute or community college student association governing student activities on campus may expend money for the purpose of funding a program to provide legal counseling and services for students. The money to be expended shall be from that portion of the area (VOCATIONAL-TECHNICAL) *vocational technical* institute student senate funds or com-

munity college activity fund account allocated to the student association and derived solely from fees received from students.

Sec. 7. Minnesota Statutes 1982, section 121.214, is amended to read:

121.214 [(VOCATIONAL-TECHNICAL) VOCATIONAL TECHNICAL BUILDING FUND.]

Subdivision 1. [PURPOSE.] A (VOCATIONAL-TECHNICAL) *vocational technical* building fund is created as a separate bookkeeping account in the general books of the state for the purpose of providing money appropriated to the state board of *vocational technical* education for the acquisition and betterment of public land, buildings, and capital improvements needed for the area (VOCATIONAL-TECHNICAL) *vocational technical* education program of the state.

Subd. 2. [RECEIPTS.] The commissioner of finance and treasurer shall deposit in the fund as received all proceeds of (VOCATIONAL-TECHNICAL) *vocational technical* building bonds, except accrued interest and premiums received upon the sale thereof. All such receipts are annually appropriated for the permanent acquisition purposes of the fund, and shall be and remain available for expenditure in accordance with this section until the purposes of the appropriations have been accomplished or abandoned.

Subd. 3. [DISBURSEMENTS.] Disbursements from the fund shall be made by the state treasurer upon the order of the commissioner of finance at the times and in the amounts requested by the state board of *vocational technical* education in accordance with the applicable appropriation acts, for grants to school districts for the acquisition and betterment of land, buildings, and capital improvements for area (VOCATIONAL-TECHNICAL) *vocational technical* institutes. These grants shall only be made upon the conditions and in accordance with all standards and criteria established (IN) *by the* state board (RULES) and in the legislative act authorizing the specific post-secondary vocational facilities project.

Subd. 4. (THE PURPOSE OF THIS SECTION IS TO CHANGE THE METHOD OF FUNDING POST-SECONDARY VOCATIONAL FACILITIES FROM POST-SECONDARY VOCATIONAL DEBT SERVICE AID PURSUANT TO SECTION 124.564 TO DIRECT STATE APPROPRIATIONS FROM THE VOCATIONAL-TECHNICAL BUILDING FUND.) Eighty-five percent of the cost of post-secondary vocational facilities authorized by specific legislative act after January 1, 1979 shall be financed through appropriations from the (VOCATIONAL-TECHNICAL) *vocational technical* building fund and 15 percent of the cost of these facilities shall be financed by the school

district operating the post-secondary (VOCATIONAL-TECHNICAL) *vocational technical* school. No local bonds shall be authorized, issued, or sold, nor shall any election be held to authorize the issuance of bonds, if the proceeds will be used to finance a project for which specific legislative approval is required, until after that specific legislative approval has been given.

Sec. 8. Minnesota Statutes 1982, section 121.215, is amended to read:

121.215 [(VOCATIONAL-TECHNICAL) VOCATIONAL TECHNICAL BUILDING BONDS.]

Subdivision 1. [PURPOSE; APPROPRIATION.] For the purpose of providing money appropriated from the (VOCATIONAL-TECHNICAL) *vocational technical* building fund for the acquisition of public land, buildings, and capital improvements needed for the state plan for the administration of vocational education in accordance with the provisions of section (121.214) *136C.42*, when requested by the state board of education, the commissioner of finance shall sell and issue bonds of the state of Minnesota for the prompt and full payment of which, with interest thereon, the full faith and credit and taxing powers of the state are irrevocably pledged. Bonds shall be issued pursuant to this section only as authorized by a law specifying the purpose thereof and the maximum amount of the proceeds authorized to be expended therefor, as set forth in section (121.214) *136C.42*. Any such law, together with this section and the laws herein referred to, constitutes complete authority for the issue, and such bonds shall not be subject to restrictions or limitations contained in any other law.

Subd. 2. [ISSUANCE.] The bonds shall be sold upon sealed bids and upon notice, at a price, in form and denominations, bearing interest at a rate or rates, maturing in amounts and on dates, subject to prepayment upon notice and at times and prices, payable at a bank or banks within or outside the state, with or without provisions for registration, conversion, exchange, and issuance of notes in anticipation of the sale or delivery of definitive bonds, and in accordance with further regulations, as the commissioner of finance shall determine subject to the approval of the attorney general, but not subject to the provisions of sections 14.02, 14.04 to 14.36, 14.38, 14.44 to 14.45, and 14.57 to 14.62. The bonds shall be executed by the commissioner of finance and attested by the state treasurer under their official seals. The signatures on the bonds and on any interest coupons and the seals may be printed or otherwise reproduced, except that each bond shall be authenticated by the manual signature on its face of one of the officers or of a person authorized to sign on behalf of a bank designated by them as authenticating

agent. The commissioner of finance shall ascertain and certify to the purchasers of the bonds the performance and existence of all acts, conditions, and things necessary to make them valid and binding general obligations of the state of Minnesota, subject to the approval of the attorney general.

Subd. 3. [EXPENSES.] All expenses incidental to the sale, printing, execution, and delivery of bonds pursuant to this section, including but not limited to actual and necessary travel and subsistence expenses of state officers and employees for such purposes, shall be paid from the (VOCATIONAL-TECHNICAL) *vocational technical* building fund and the amounts necessary therefor are appropriated from that fund; provided that if any amount is specifically appropriated for this purpose in an act authorizing the issuance of bonds pursuant to this section, such expenses shall be limited to the amount so appropriated.

Subd. 4. [(VOCATIONAL-TECHNICAL) VOCATIONAL TECHNICAL BUILDING BOND ACCOUNT IN THE STATE BOND FUND.] The commissioner of finance shall maintain in the state bond fund a separate bookkeeping account designated as the (VOCATIONAL-TECHNICAL) *vocational technical* building bond account, to record receipts and disbursements of money transferred to the fund to pay (VOCATIONAL-TECHNICAL) *vocational technical* building bonds and interest thereon, and of income from the investment of such money, which income shall be credited to the account in each fiscal year in an amount equal to the approximate average rate of return that year on all funds invested by the state treasurer, as determined by the treasurer, times the average balance in the account that year.

Subd. 5. [APPROPRIATIONS TO BOND ACCOUNT.] There shall be credited to the (VOCATIONAL-TECHNICAL) *vocational technical* building bond account the premium and accrued interest received on each issue of (VOCATIONAL-TECHNICAL) *vocational technical* building bonds and, from the general fund in the state treasury, on November 1 in each year, a sum of money equal to the amount of the tax which the Constitution would otherwise require to be levied for collection in the following year, for the purpose of increasing the balance then on hand in the account to an amount sufficient to pay principal and interest due and to become due with respect to (VOCATIONAL-TECHNICAL) *vocational technical* building bonds. All money so credited and all income from the investment thereof is annually appropriated to the bond account for the payment of such bonds and interest thereon, and shall be available in the bond account prior to the levy of the tax for the state bond fund in any year as required by the Constitution. The commissioner of finance and the state treasurer are directed to make the appropriate entries in the accounts of the respective funds.

Subd. 6. [TAX LEVY.] On or before December 1 in each year, if the full amount appropriated to the bond account in subdivision 5 has not been credited thereto, the tax required by the Constitution shall be levied upon all taxable property within the state. This tax shall be levied upon all real property used for the purposes of a homestead, as well as other taxable property, notwithstanding the provisions of section 273.13, subdivisions 6 and 7, and shall be subject to no limitation of rate or amount until all (VOCATIONAL-TECHNICAL) *vocational technical* building bonds and interest thereon are fully paid. The proceeds of this tax are appropriated and shall be credited to the state bond fund, and the principal of and interest on the bonds are payable from such proceeds, and the whole thereof, or so much as may be necessary, is appropriated for such payments. If at any time there is not sufficient money from the proceeds of such taxes to pay the principal and interest when due on (VOCATIONAL-TECHNICAL) *vocational technical* building bonds, such principal and interest shall be paid out of the general fund in the state treasury, and the amount necessary therefore is hereby appropriated.

Sec. 9. Minnesota Statutes 1982, section 121.2155, is amended to read:

121.2155 [(VOCATIONAL-TECHNICAL) VOCATIONAL TECHNICAL BUILDING APPROPRIATIONS.]

Money appropriated from the state building fund to the state board of *vocational technical* education for post-secondary (VOCATIONAL-TECHNICAL) *vocational technical* construction in school districts shall be used for grants to school districts for the acquisition and betterment of land, buildings, and capital improvements for area (VOCATIONAL-TECHNICAL) *vocational technical* institutes. These grants shall only be made upon the conditions and in accordance with all standards and criteria established in state board rules and in the legislative act authorizing the specific post-secondary vocational facilities project. A grant shall cover 85 percent of the cost of the post-secondary vocational facilities authorized by the specific legislative act, and 15 percent of the cost of these facilities shall be financed by the school district operating the post-secondary (VOCATIONAL-TECHNICAL) *vocational technical* school, unless otherwise provided by the specific legislative act. No local bonds shall be authorized, issued, or sold, nor shall any election be held to authorize the issuance of bonds, if the proceeds will be used to finance a project for which specific legislative approval is required, until after that specific legislative approval has been given.

Sec. 10. Minnesota Statutes 1982, section 121.216, is amended to read:

121.216 [(VOCATIONAL-TECHNICAL INSTITUTES;) STUDENT ASSOCIATIONS.]

Every school board governing an area (VOCATIONAL TECHNICAL) *vocational technical* institute shall give recognition as an authorized extracurricular activity to an area (VOCATIONAL-TECHNICAL) *vocational technical* institute student association affiliated with the Minnesota (VOCATIONAL-TECHNICAL) *vocational technical* student association. The student association is authorized to collect a reasonable fee from students to finance the activities of the association in an amount determined by the governing board of the area (VOCATIONAL-TECHNICAL) *vocational technical* institute which has recognized it.

Every governing body which recognizes a student association shall deposit the fees in a student association fund. The moneys in this fund shall be available for expenditure for student recreational, social, welfare, and educational pursuits supplemental to the regular curricular offerings.

Sec. 11. Minnesota Statutes 1982, section 121.218, is amended to read:

121.218 [(VOCATIONAL-TECHNICAL INSTITUTES;) AWARDED DEGREES.]

Subdivision 1. [BOARD APPROVAL.] The state board (FOR VOCATIONAL EDUCATION) may approve, disapprove, or modify a plan for awarding associate degrees at an area (VOCATIONAL-TECHNICAL) *vocational technical* institute. The state board shall approve a plan only when an associate degree is required by a licensing authority and is offered in cooperation with a collegiate institution. The state board may approve an area (VOCATIONAL-TECHNICAL) *vocational technical* institute plan for awarding an associate degree which is not offered in cooperation with a collegiate institution only if cooperation is not practicable. All associate degree plans approved by the state board (FOR VOCATIONAL EDUCATION) shall be presented to the higher education coordinating board for review and recommendation pursuant to section 136A.04, subdivision 1, clause (d) and in accordance with the provisions of this section.

Subd. 2. [EXCEPTION.] Associate degrees offered by the area (VOCATIONAL - TECHNICAL) *vocational technical* institutes prior to January 1, 1981, shall not be subject to the provisions of subdivision 1.

(SUBD. 3. [REPORT.] BY JANUARY 15, 1982, THE HIGHER EDUCATION COORDINATING BOARD, IN COOPERATION WITH THE STATE BOARD FOR VOCA-

TIONAL EDUCATION, SHALL SUBMIT A REPORT TO THE EDUCATION COMMITTEES OF THE LEGISLATURE REGARDING THE AWARDING OF ASSOCIATE DEGREES BY AREA VOCATIONAL-TECHNICAL INSTITUTES. THE REPORT SHALL INCLUDE IDENTIFICATION AND EVALUATION OF THE FACTORS WHICH AFFECT THE FEASIBILITY OF COOPERATION WITH COLLEGIATE INSTITUTIONS. BY JANUARY 1, 1983, THE HIGHER EDUCATION COORDINATING BOARD SHALL PROMULGATE RULES ESTABLISHING CRITERIA FOR DETERMINING WHEN COOPERATION WITH A COLLEGIATE INSTITUTION IS NOT PRACTICABLE.)

Sec. 12. Minnesota Statutes 1983 Supplement, section 124.5611, is amended to read:

124.5611 [AVTI FUNDING.]

(BEGINNING WITH AIDS) For the 1983-1984 and 1984-1985 school (YEAR) years, post-secondary vocational aids for AVTI's shall be paid for the current fiscal year according to sections (124.5612) 136C.26 to (124.5619) 136C.37, (124.5628) and (124.564) 136C.41.

Sec. 13. Minnesota Statutes 1983 Supplement, section 124.5612, is amended to read:

124.5612 [AVTI AID DEFINITIONS.]

Subdivision 1. [APPLICABILITY.] (BEGINNING WITH AIDS) For the 1983-1984 and 1984-1985 school (YEAR) years, for the purposes of sections (124.5612) 136C.26 to (124.5619) 136C.37, (124.5628, 124.564,) and (124.565) 136C.41, the following terms have the meanings given them.

Subd. 2. [ADM.] "ADM" means average daily membership computed according to section (124.5618) 136C.33.

Subd. 3. [AVTL.] "AVTI" means a post-secondary area vocational technical instiute.

Subd. 4. [COMPONENT ACTIVITIES.] "Component activities" means regular instruction, special needs instruction, research, instructional administration, media/library, pupil personnel services, health services, director's office, instructional services, fixed costs, work study/financial aid, physical plant, and repair and betterment.

Subd. 5. [INSTRUCTIONAL AID.] "Instructional aid" means state money, exclusive of repair and betterment aid and

debt service aid, allocated by the state board (FOR) of vocational *technical* education to districts for post-secondary vocational technical education instructional costs.

Subd. 6. [INSTRUCTIONAL COSTS.] "Instructional costs" means expenditures in the following categories: licensed and nonlicensed staff salaries; licensed and nonlicensed staff fringe benefits, excluding teachers' retirement and teachers' social security; staff travel for instructional, administrative, and professional development purposes; purchased services; other expenditures, detailed according to UFARS; supplies and materials; supplies for resale; rents and leases; acquisition or purchase of equipment and machinery; and betterment of equipment and machinery.

Subd. 7. [PROGRAM.] "Program" means a post-secondary vocational technical occupational program as classified with a six-digit number by the United States department of education.

Subd. 8. [REPAIR AND BETTERMENT AID.] "Repair and betterment aid" means state money, exclusive of instructional aid and debt service aid, allocated by the state board (FOR) of vocational *technical* education to districts. The aid is to reconstruct, improve, remodel, and repair existing AVTI buildings and grounds, as necessary to conduct post-secondary vocational technical education.

Subd. 9. [UFARS.] "UFARS" means the uniform financial accounting and reporting system.

Sec. 14. Minnesota Statutes 1983 Supplement, section 124.5614, is amended to read:

124.5614 [PROCESS FOR AID ALLOCATION.]

Subdivision 1. [BUDGET SUBMISSION.] Before January 1, (OF EACH YEAR) 1984, each AVTI shall submit an instructional aid budget for the following fiscal year. The instructional aid budget shall detail estimated instructional costs in each expenditure category for each program and component activity of the AVTI's operations. The instructional aid budget shall include estimated revenues from sale of supplies and services, sale of equipment and other capital goods, and other revenues, detailed according to UFARS.

Subd. 2. [RECOMMENDED ALLOCATIONS.] After reviewing each budget, the (DEPARTMENT) *state director* of vocational *technical* education shall recommend aid allocations for the following fiscal year in each expenditure category for each program and component activity.

The (DEPARTMENT) *state director* shall recommend instructional aid allocations sufficient to maintain or improve special needs instruction.

Notwithstanding any laws or rules to the contrary, the recommendations for allocations of instructional aid, to the extent possible, shall be based on average systemwide ADM to teacher ratios of 12 to 1 for health programs and 17 to 1 for nonhealth programs.

The annual student placement rate of each program shall be taken into consideration by the department in recommending instructional aid allocations.

Each AVTI's tuition revenues in the fiscal year for which aid is allocated shall be taken into consideration by the department in recommending instructional aid allocations.

Each AVTI's unappropriated capital balance of the equipment account in the capital expenditure fund, as of June 30 of the fiscal year during which allocations are made, shall be taken into consideration by the (DEPARTMENT) *state director* in recommending instructional aid allocations for the purposes listed in section (124.5615) 136C.29, subdivision 3, clauses (a), (b), (c), and (d). In recommending instructional aid allocations for all other purposes, the department shall take into consideration each AVTI's net positive unappropriated general fund balance, as of June 30 of the fiscal year during which allocations are made, which exceeds ten percent of the AVTI's operating expenditures, as defined by UFARS, for the fiscal year during which allocations are made.

Each AVTI's actual expenditures which exceed the amounts originally budgeted for expenditure during the fourth quarter of the fiscal year in which aids are allocated shall be taken into consideration by the (DEPARTMENT) *state director* in recommending instructional aid allocations.

Allocations of repair and betterment aid shall be recommended for each project proposed by an AVTI. In recommending repair and betterment aid allocations, the (DEPARTMENT) *state director* shall take into consideration each AVTI's net positive unappropriated capital balance of the repair and betterment account of the capital expenditure fund, as of June 30 of the fiscal year during which allocations are made.

Subd. 3. [HEARING.] The aid allocations recommended by the (DEPARTMENT OF EDUCATION) *state director* shall be taken to a public hearing held by the state board (FOR VOCATIONAL EDUCATION) with at least six board members present. The hearing shall continue until all interested persons, representatives, and organizations have had an opportunity to

be heard. Notice of the hearing shall be given at least 20 days prior to the date set for the hearing. The notice shall be published in the State Register and mailed to each district submitting a budget, and other interested persons and organizations who register their names with the commissioner of education for that purpose. The (DEPARTMENT OF EDUCATION) *state director* shall make available at least one free copy of the recommended allocations to the education committees of the legislature and to any person requesting it. An audio magnetic recording device shall be used to keep a record at every hearing. A transcript of the hearing record shall be made available upon the request of any person, if the request is in writing and the requester pays the cost of preparing the transcript.

Subd. 4. [HEARING REPORT.] After allowing written material to be submitted and added to the hearing record for five days after the public hearing ends, the (COMMISSIONER OF EDUCATION) *state director* shall proceed as promptly as possible to write a report containing the final proposed allocations of aids. This report shall contain findings and conclusions based on substantial evidence from the hearing record to support the final proposed allocations. The report shall be available to all affected districts upon request for at least 15 days before the state board takes final action allocating aids.

Subd. 5. [MODIFICATIONS TO REPORT.] Any district which is adversely affected by the final proposed allocations of aids may request and shall be given an opportunity to be heard in support of modification of the proposed final allocation of aids at the meeting at which the state board takes final action allocating aids. The state board may place reasonable restrictions on the length of time allowed for testimony.

Subd. 6. [FINAL ALLOCATION.] By June 1, after hearing modification requests, if any, the state board shall take final action to allocate aids. Allocations of instructional aid shall be detailed in each expenditure category for each program and component activity. The total allocation of instructional aid for each AVTI shall specify the amounts of any fund balances and tuition revenues taken into consideration. Allocations of repair and betterment aid shall be detailed for each project. The total allocation of repair and betterment aid for each AVTI shall specify the amount of any fund balance taken into consideration.

Subd. 7. [SUBSEQUENT ALLOCATION.] The state board may withhold up to one percent of the post-secondary vocational instructional aid appropriation for subsequent allocation. The amount withheld and any additional state and federal money available for post-secondary vocational education shall be allocated, no later than February 15 of the fiscal year for which the aid is allocated, at a public hearing held according to subdivisions 3, 4, and 5.

Sec. 15. Minnesota Statutes 1983 Supplement, section 124.5615, is amended to read:

124.5615 [USE OF AID.]

Subdivision 1. [AID AND TUITION.] All AVTI aids and all tuition authorized by section (124.565) *136C.13* shall be used solely for the purposes of post-secondary vocational technical education.

Subd. 2. [ACCOUNTING.] Each district providing post-secondary vocational technical education shall maintain, in accordance with section (121.908) *136C.04, subdivision 6*, separate revenue, expenditure, asset and liability accounts for post-secondary vocational technical education within funds separate from all other district funds.

Subd. 3. [INSTRUCTIONAL AID.] Instructional aid allocated for the following purposes shall be placed in the equipment account of the capital expenditure fund:

- (a) acquisition or purchase of equipment or machinery;
- (b) betterment of equipment or machinery;
- (c) paying leasing fees for computer systems hardware and related proprietary software, photocopy machines and telecommunications equipment; and
- (d) renting or leasing buildings for school purposes.

Aid allocated for these purposes shall be used solely for these purposes.

All other instructional aid which is allocated shall be placed in the general fund and shall not be transferred to any other fund. The school board shall authorize and approve actual expenditures of the aid allocated.

Subd. 4. [SPECIAL NEEDS.] Aid allocated for special needs instruction shall be used solely for that purpose.

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) *136C.07, 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) *136C.26, 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) *state director*. The process in section (124.5614) *136C.28* shall not constitute approval for this purpose. Use of the aid shall be governed by the provisions of section (121.21) *136C.07*, subdivision 4a.

Sec. 16. Minnesota Statutes 1983 Supplement, section 124.5616, is amended to read:

124.5616 [DISTRIBUTION OF MONEY.]

All money, whether state, federal, or from other sources, which may be made available to the (DEPARTMENT OF EDUCATION) *state board* for carrying out the purposes of post-secondary vocational technical education shall be allocated by the state board (FOR VOCATIONAL EDUCATION) to districts in accordance with law (AND SHALL BE DISTRIBUTED BY THE STATE AIDS SECTION OF THE DEPARTMENT OF EDUCATION).

Sec. 17. Minnesota Statutes 1983 Supplement, section 124.5617, is amended to read:

124.5617 [CERTAIN EQUIPMENT EXPENDITURES.]

Expenditures for the purposes in section (124.5615) *136C.29*, subdivision 3, clauses (a), (b), (c), and (d) which exceed \$6,000 shall receive prior approval by the (COMMISSIONER OF EDUCATION) *state director*. The process in section (124.5614) *136C.28* shall not constitute approval for this purpose.

Sec. 18. Minnesota Statutes 1983 Supplement, section 124.5618, is amended to read:

124.5618 [AVERAGE DAILY MEMBERSHIP.]

Subdivision 1. [MEMBERSHIP.] Membership for pupils in AVTI's shall mean the number of pupils on the current roll of the school, counted from the date of entry until the date of withdrawal.

Subd. 2. [WITHDRAWAL.] The date of withdrawal shall mean the date a pupil completes the program and permanently leaves the AVTI. A pupil who has been absent for 15 consecutive school days shall be determined to have permanently left the school. A pupil who permanently leaves the school on or before the 15th day of a quarter shall be determined not to have entered during that quarter. For a pupil who permanently leaves after the 15th school day of a quarter without completing the program, the date of withdrawal shall be the earliest of the following:

- (a) the date the pupil is scheduled to complete the program;

(b) the date the AVTI fills the vacancy created by leaving;
or

(c) the last day of the quarter during which the pupil permanently leaves the AVTI.

Subd. 3. [COMPUTATION.] Average daily membership for pupils enrolled in an AVTI shall equal the quotient obtained by dividing

(a) the product of

(1) the sum for all pupils of the number of days of the school year each pupil is enrolled in an AVTI, counted from the date of entry until the date of withdrawal, times

(2) the quotient obtained by dividing

(i) the number of hours per day each pupil is enrolled, by

(ii) six; by

(b) 175.

The number of hours counted for any pupil in any one program shall not exceed the number of hours approved by the state board (FOR VOCATIONAL EDUCATION) for completion of the program. However, a district may count additional hours for membership, if necessary for a pupil who is identified by the district as handicapped or disadvantaged, to complete the program. For disadvantaged students, these additional hours shall not exceed ten percent of the approved number of hours for the program. Adult vocational pupils shall not be counted for the purposes of this section. Additional hours counted shall be reported to the (COMMISSIONER) *state director*.

Subd. 4. [CHEMICAL ABUSE TREATMENT.] A pupil who is absent from an AVTI to participate in a chemical abuse treatment program and who is on the roll of the AVTI according to the provisions of section (124.5619) *136C.34* may be counted in average daily membership during that time for not more than 30 consecutive school days. If a returning pupil needs additional hours to complete the educational program, the AVTI may count the lesser of the following additional hours for membership:

(a) the number of hours the pupil was counted while participating in the treatment program; or

(b) 30 times the number of hours per day the pupil is enrolled.

Sec. 19. Minnesota Statutes 1982, section 124.564, is amended to read:

124.564 [(POST - SECONDARY VOCATIONAL) DEBT SERVICE AID.]

Subdivision 1. The state board (FOR VOCATIONAL EDUCATION) shall provide, for credit against the debt service levy of qualifying districts, post-secondary vocational debt service aid equal to the state portion of debt service costs. The state portion of debt service costs shall equal the amount necessary to make payments due in each school year ending June 30 with respect to qualifying bonds issued to finance post-secondary vocational facilities and interest thereon, multiplied by the average of the district's nonresident reimbursement percentage pursuant to Minnesota Statutes 1974, Section 121.21, Subdivision 5, in fiscal years ended June 30, 1973, 1974, and 1975. For purposes of the computation of debt service aid, qualifying bonds shall include only:

(a) bonds issued prior to January 1, 1978;

(b) bonds issued after January 1, 1978, to finance post-secondary vocational facilities projects which receive funds appropriated in Laws 1978, Chapter 792, Section 8; and

(c) bonds issued at any time to refund the bonds described in (a) and (b). No district shall qualify for this post-secondary vocational debt service aid unless it has certified a levy in the total amount required by section 475.61, for collection in the calendar year in which the aid credit is to be given.

Subd. 2. There shall be no post-secondary vocational debt service aid for the state portion of debt service costs for bonds issued on or after January 1, 1978 to finance post-secondary vocational facilities and interest thereon, unless these bonds are issued to finance post-secondary vocational facilities projects which receive funds appropriated in Laws 1978, Chapter 792, Section 8.

Subd. 3. Post-secondary vocational debt service aid shall be computed each year before October 1 by the state board (FOR VOCATIONAL EDUCATION) as the percentage specified in subdivision 1 of the sum of the principal and interest on qualifying bonds which will become due in the school year commencing on the following July 1.

Subd. 4. The amount for each school district shall be certified by the board on or before October 1 to the school district, and to the county auditors of all counties containing taxable property within the school district, and to the state commissioner of finance. This amount shall be deducted by the county auditors from the amount of the debt service levies of the school district to be assessed and extended against the taxable property therein for collection in the following year, and shall be payable instead from the appropriation made by this section.

Subd. 5. The commissioner of finance shall issue to the state treasurer warrants for payment of one-half of the amount to the treasurer of the school district on or before July 15 and one-half thereof on or before November 15 in the following year, in lieu of the distributions of this amount otherwise payable by county treasurers at these times under the provisions of section 276.11.

Subd. 6. The amount necessary is annually appropriated from the general fund to the respective districts entitled to these payments (FOR EXPENDITURE IN FISCAL YEARS BEGINNING WITH FISCAL YEAR 1978). This appropriation shall not lapse until and unless otherwise provided by law, but shall be reduced by the amount of any funds specifically appropriated for the same purpose in any year from any state fund. In the event that the appropriation is revoked in any future year, the state board (FOR VOCATIONAL EDUCATION) shall certify this fact to each school district theretofore entitled to an aid credit under this subdivision.

Subd. 7. The appropriation heretofore made for post-secondary vocational debt service aid payable in the school year ending June 30, 1977, is confirmed, and the board shall continue to provide for the payment of debt service aids therefrom at or before the due dates of school district bonds and interest in that school year. In addition, the state board (FOR VOCATIONAL EDUCATION) shall pay to districts which expended cash balances to finance the construction of new post-secondary vocational facilities and which the state board prior to May 15, 1975 agreed to repay for these expenditures the amount of the repayment specified in the agreement. Funds received in repayment shall revert to the fund of origin in the district.

Sec. 20. Minnesota Statutes 1982, section 124.565, subdivision 1, is amended to read:

124.565 [POST-SECONDARY VOCATIONAL EDUCATION TUITION.]

Subdivision 1. Any Minnesota resident may attend a post-secondary (VOCATIONAL-TECHNICAL) *vocational technical* school (, PROVIDED THAT) *if* the individual meets the entrance requirements for the training course in which enrollment is sought and the school has the (ROOM AND THE FACILITY TO RECEIVE HIM) *available space*.

Sec. 21. Minnesota Statutes 1982, section 124.565, subdivision 6, is amended to read:

Subd. 6. [LENGTH OF QUARTER.] For purposes of tuition charges, a quarter shall consist of 60 school days. The state board (FOR VOCATIONAL EDUCATION) shall (ADOPT

RULES PROVIDING FOR) *establish* proportionate tuition charges for quarters which are shorter or longer than 60 days, for part time and extended day enrollment, and for programs which begin or end during a quarter. The state board shall (ADOPT RULES PROVIDING FOR) *establish* tuition charges based on approved program lengths for programs offered on an individualized basis.

Sec. 22. 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) *vocational technical* school days, or the equivalent as determined by the state board (FOR VOCATIONAL EDUCATION), or (b) one post-secondary (VOCATIONAL-TECHNICAL) *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. 23. Minnesota Statutes 1982, section 124.572, as amended by Laws 1983, chapter 314, article 5, section 12, is amended to read:

124.572 [CURRENT FUNDING FOR ADULT VOCATIONAL EDUCATION.]

Subdivision 1. The state shall pay adult vocational aids for each year on a current funding basis.

Subd. 1a. [LIMITED APPLICABILITY.] *The provisions of this section shall apply only for the 1983-1984 and 1984-1985 school years.*

Subd. 2. [ADULT VOCATIONAL AID.] (EXCEPT FOR THE 1982-1983 SCHOOL YEAR.) The state shall pay to any district or cooperative vocational center 75 percent of the salaries paid to essential, licensed personnel or personnel exempt from licensure pursuant to section 125.031 in that school year for services rendered in that district's or center's adult vocational education programs. Notwithstanding any law or any licensure requirements to the contrary, the portion of a community edu-

cation director's salary attributable to services rendered for the district's or center's adult vocational education program shall qualify for aid according to this subdivision. In addition, the state shall pay 50 percent of the costs of necessary travel between instructional sites by adult vocational education teachers. The (COMMISSIONER) *state director* may withhold all or any portion of this aid for an adult vocational education program which receives moneys from any other source, and in no event shall a district or center receive a total amount of state aid for salaries and travel pursuant to this section which, when added to moneys from other sources, will provide the program an amount for salaries and travel which exceeds 100 percent of the amount of its expenditures for salaries and travel in the program.

Subd. 2a. [1982-1983 ADULT VOCATIONAL AID.] The aid for the 1982-1983 school year shall be paid according to subdivision 2, except that the state shall pay 69 percent of salaries and 46.25 percent of necessary travel.

Subd. 3. This aid shall be paid only for services rendered or for travel costs incurred in adult vocational educational programs approved for funding by the (COMMISSIONER OF EDUCATION) *state director*. (RULES) *Policy* shall be (ADOPTED) *established* by the state board providing criteria to be applied by the (COMMISSIONER) *state director* in approving programs for funding pursuant to this section including: economic impact of the program, legislative mandate for the program, employment opportunities in the occupational area, and proven contribution of the program. All programs shall be operated in accordance with *policies and rules* promulgated by the state board. These (RULES) shall provide minimum student-staff ratios required for an adult vocational education program to qualify for this aid. (RULES RELATING TO ADULT VOCATIONAL EDUCATION PROGRAMS SHALL NOT INCORPORATE THE PROVISIONS OF THE STATE PLAN FOR VOCATIONAL EDUCATION BY REFERENCE.)

Subd. 3a. In any fiscal year when moneys requested for programs approved for funding are more than the amount appropriated, the (COMMISSIONER OF EDUCATION) *state director* shall, to the extent possible, continue full funding for programs which are approved by July 1 for aid for even numbered years or by the preceding March 1 for aid for odd numbered years. The (COMMISSIONER) *state director* shall prorate any remaining moneys among programs which are approved for funding after these dates.

Subd. 4. Boards may charge tuition for participation in adult vocational education programs. Nothing in this section shall prohibit the charging of differential tuition rates for residents or nonresidents of a district. If adult vocational educa-

tion is provided by another district or a cooperative center by contract pursuant to subdivision 5, the contract shall provide for this issue.

Subd. 5. Any board may contract with the board of a district containing a post-secondary vocational-technical school or the board of a cooperative center for the provision of adult vocational education services. The board providing these services may also act as fiscal agent for the other contracting district if so agreed. Information copies of all contracts shall be provided to the state (DEPARTMENT) *director*.

Subd. 6. All adult vocational education aid shall be paid to the district or cooperative center providing the services. The district providing the services may bill the contracting district for any unpaid costs incurred in providing these services if so agreed in the contract.

Subd. 7. Each district providing adult vocational education shall establish and maintain separate, accurate and detailed revenue and expenditure accounts related to these adult vocational education programs. All adult vocational education aid received by the district from any source shall be utilized solely for the purposes of adult vocational education programs.

Subd. 8. [PAYMENT SCHEDULE THROUGH 1982.] Through the 1981-1982 school year, the state shall pay to each school district 30 percent of its estimated adult vocational education aid for the school year on or before the following dates: August 31, December 31 and March 31. The final aid distribution to the district shall be made on or before October 31 of the following school year. All adult vocational education aids shall be computed and distributed by the state aids, statistics, and research section of the state department of education.

Subd. 8a. [PAYMENT SCHEDULE.] (BEGINNING IN THE 1982-1983 SCHOOL YEAR,) The state shall pay to each school district its estimated adult vocational education aid in the following manner: 30 percent by August 31, 30 percent by December 31, and 25 percent by March 31. The final aid distribution shall be made by October 31 of the following school year. (ALL ADULT VOCATIONAL EDUCATION AIDS SHALL BE COMPUTED AND DISTRIBUTED BY THE STATE AIDS SECTION OF THE DEPARTMENT OF EDUCATION.)

Subd. 9. Effective July 1, 1978, any individual enrolled in an adult farm management program for longer than six years shall be charged a tuition rate equal to the full cost of the program attributable to that individual.

Subd. 10. State money shall not be used to pay for more than 75 percent of the independent telephone communications train-

ing program and the Minnesota electric cooperative linepersons training program. The appropriate industry or association shall pay at least 25 percent of the cost of each program.

Sec. 24. Minnesota Statutes 1982, section 124.573, subdivision 3, is amended to read:

Subd. 3. This aid shall be paid only for services rendered or for the costs designated in subdivision 2 which are incurred in secondary vocational education programs approved by the state department of education and operated in accordance with rules promulgated by the state board of education. These rules shall provide minimum student-staff ratios required for a secondary vocational education program in a cooperative center to qualify for this aid (, BUT). *The rules shall not require any minimum number of (PROGRAM OFFERINGS OR) administrative staff, any minimum period of coordination time or extended employment for secondary vocational education personnel, or the availability of vocational student activities or organizations for a secondary vocational education program to qualify for this aid. The requirement in these rules that program components be available for a minimum number of hours shall not be construed to prevent pupils from enrolling in secondary vocational education courses on an exploratory basis for less than a full school year. (NO RULES PROMULGATED BY THE STATE BOARD PURSUANT TO ANY STATUTE SHALL REQUIRE A DISTRICT TO OFFER SECONDARY VOCATIONAL EDUCATION.) The state board of education shall not require a school district to offer more than four credits or 560 hours of vocational education course offerings in any school year.* Rules relating to secondary vocational education programs shall not incorporate the provisions of the state plan for vocational education by reference. This aid shall be paid only for services rendered and for travel costs incurred by essential, licensed personnel who meet the work experience requirements for licensure pursuant to the rules of the state board (FOR VOCATIONAL) of education.

Sec. 25. 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. 26. Minnesota Statutes 1983 Supplement, section 136C.01, is amended to read:

136C.01 [ESTABLISHMENT.]

A state board of vocational technical education is established to govern post-secondary *and adult* vocational education. (IT SHALL ALSO GOVERN ADULT VOCATIONAL EDUCATION ADMINISTERED BY AN AREA VOCATIONAL TECHNICAL INSTITUTE.)

Sec. 27. Minnesota Statutes 1983 Supplement, section 136C.02, subdivision 3, is amended to read:

Subd. 3. [POST-SECONDARY VOCATIONAL EDUCATION.] "Post-secondary vocational education" means post-secondary and adult vocational education (ADMINISTERED BY AN AVTI).

Sec. 28. 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. 29. Minnesota Statutes 1983 Supplement, section 136C.04, subdivision 7, is amended to read:

Subd. 7. [ATTENDANCE AND COMPLETION.] The state board shall prescribe conditions of admission, tuition, fees,

and other related matters. The state board shall prescribe requirements for completion of programs and approve the awarding of appropriate certificates or associate degrees consistent with the provisions of section (121.218) 136C.042. Chapter 14 shall not apply to the matters in this subdivision.

Sec. 30. Minnesota Statutes 1983 Supplement, section 136C.04, subdivision 10, is amended to read:

Subd. 10. [ALLOCATION.] The state board shall allocate state and federal money for post-secondary vocational education. Money received from federal sources, other than as provided in *this* chapter (124), and money received from other sources, not including the state, shall not be taken into account in determining appropriations or allocations.

Sec. 31. [136C.041] [WITHHOLDING OF ALLOCATIONS.]

Subdivision 1. The state board may withhold allocations for post-secondary vocational education if the board finds a district to be in violation of any statute, rule, or state board policy.

Subd. 2. The state board shall notify the district of its finding. The notice shall specify the violation, describe the correction required, and set a reasonable time within which the 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 district, or any part of it, is located.

Sec. 32. [136C.06] [SOLE STATE AGENCY.]

The state board of vocational technical education is the sole state agency to receive and disburse 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 shall develop and submit the state plan for vocational technical education. The state board shall develop the state plan according to terms of agreement with the state board of education.

Sec. 33. [EFFECT OF TRANSFER.]

Subdivision 1. [BOARD TRANSFER.] The powers, duties, and functions of the state board of education for adult voca-

tional education not administered by an AVTI are transferred to the board of vocational technical education on July 1, 1984. Rules of the state board of education relating to adult vocational education shall have no force and effect on July 1, 1984, and thereafter.

Subd. 2. [TRANSFER NOT TO AFFECT LEGAL ACTION.] The transfer of powers, duties, and functions shall not affect any action or proceeding, whether administrative, civil, or criminal, pending at the time of the transfer. The action shall be continued in the name of the state board of vocational technical education which, upon application to the appropriate court, shall be substituted as a party to the action or proceeding.

Subd. 3. [TRANSFER OF PROPERTY.] All books, maps, plans, papers, records, contracts, documents, and property of every description in the possession or control of the state board of education, relating to adult vocational education, shall be transferred to the state board of vocational technical education. The transfer shall be made in accordance with the directions of the state board of vocational technical education.

Subd. 4. [TRANSFER OF FUNDS.] The unencumbered and unexpended balance of all funds appropriated to the state board of education for adult vocational education shall be transferred to the state board of vocational technical education. All federal money for adult vocational education shall be transferred to the state board of vocational technical education. Notwithstanding any law to the contrary, for the 1984-1985 school year, the state board of vocational technical education shall expend for adult vocational education not administered by an AVTI only the funds available from the state board of education. Funds available to the state board of vocational technical education for post-secondary and adult vocational education administered by an AVTI shall not be used for adult vocational education not administered by an AVTI.

Subd. 5. [CONSTRUCTION OF STATUTES, CONTRACTS, AND DOCUMENTS.] Whenever the state board of education or its officer is referred to or designated in a statute, contract, or document, in the context of adult vocational education, the reference or designation shall be construed to mean the state board of vocational technical education or its officer.

Sec. 34. [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 for the 1985-1986 school year and shall maintain records of revenues and expenditures and student enrollment in the current categories of post-secondary and adult vocational education for each institution. The state board shall prepare a

comparison of the financial implications of funding adult vocational programs through the current statutory adult vocational formula and the average cost funding formula.

Sec. 35. [STUDENT PROGRAM COMPLETION.]

If an AVTI program is eliminated by state board action, the state board may provide for student subsistence to complete the same program in another AVTI during the 1984-1985 school year. The state board may provide the subsistence only if the cost of providing the program in the alternative AVTI is less than the cost of maintaining the program in the original AVTI.

Sec. 36. [INSTRUCTION TO REVISOR.]

The revisor of statutes shall renumber each section of Minnesota Statutes specified in Column A with the number set forth in Column B. The revisor shall also make necessary cross-reference changes consistent with the renumbering.

<i>Column A</i>	<i>Column B</i>
121.21	136C.07
121.212	136C.08
121.213	136C.17
121.214	136C.42
121.215	136C.43
121.2155	136C.44
121.216	136C.15
121.218	136C.042
124.52	136C.21
124.54	136C.211
124.55	136C.212
124.56	136C.213
124.5611	136C.25
124.5612	136C.26

124.5613	136C.27
124.5614	136C.28
124.5615	136C.29
124.5616	136C.31
124.5617	136C.32
124.5618	136C.33
124.5619	136C.34
124.5628	136C.35
124.5629	136C.36
124.564	136C.41
124.565	136C.13
124.57	136C.37
124.572	136C.38
124.58	136C.22
124.59	136C.221
124.60	136C.222
124.61	136C.223

Sec. 37. [REPEALER.]

Minnesota Statutes 1982, sections 121.217; 124.565, subdivisions 3 and 4; 124.572, subdivisions 2a and 8; 124.573, subdivisions 2a, 3b, and 5; 124.574, subdivisions 2, 2a, and 3a, are repealed. Minnesota Statutes 1983 Supplement, sections 124.11, subdivisions 2a and 2b; 124.5613, subdivision 1, are repealed.

Sec. 38. [APPROPRIATION.]

The sum of \$600,000 is appropriated from the general fund to the state board of vocational technical education for fiscal year 1985 to develop new programs and to update curriculum.

Sec. 39. [EFFECTIVE DATE.]

Section 28 is effective June 30, 1984.

ARTICLE 6

OTHER AIDS AND LEVIES

Section 1. Minnesota Statutes 1983 Supplement, section 124.214, subdivision 2, is amended to read:

Subd. 2. [ABATEMENTS.] Whenever by virtue of chapter 278, sections 270.07, 375.192, or otherwise, the assessed valuation of any school district for any taxable year is changed after the taxes for that year have been spread by the county auditor and the mill rate as determined by the county auditor based upon the original assessed valuation is applied upon the changed valuations, the county auditor shall, prior to February 1 of each year, certify to the commissioner of education the amount of any resulting net revenue loss that accrued to the school district during the preceding year. In August of each year, the commissioner shall pay an abatement adjustment to the district in an amount calculated according to the provisions of this subdivision. This amount shall be deducted from the amount of the levy authorized by section 275.48. *The abatement adjustment shall be recognized as revenue in the fiscal year in which it is received.* The amount of the abatement adjustment shall be the product of:

(1) the net revenue loss as certified by the county auditor, times

(2) the ratio of:

(a) *the sum of the amounts of the district's certified levy in the preceding October according to the following:*

(i) *section 275.125, subdivisions 2a, 7d, clause (1), and 7d, clause (2), if the district is entitled to basic foundation aid according to section 124.2122;*

(ii) *section 275.125, subdivisions 7d, clause (3), if the district is entitled to third tier aid according to section 124A.10, subdivision 3;*

(iii) *section 275.125, subdivision 7d, clause (4), and 7d, clause (5), if the district is eligible for fourth tier aid according to section 124A.12, subdivision 3;*

(iv) *section 275.125, subdivisions 2j and 2k, if the district is entitled to summer school aid according to section 124.201; and*

(v) *section 275.125, subdivisions 5 and 5c, if the district is entitled to transportation aid according to section 124.225, subdivision 8a;*

(b) *to the (SUM OF THE AMOUNTS) total amount of the district's certified levy (LIMITATIONS) in the preceding Octo-*

ber pursuant to (SECTION 275.125, SUBDIVISIONS 2A, 2I, 2J, 2K, 5, 5C, 6C, AND 7A TO THE TOTAL AMOUNT OF THE DISTRICT'S MAXIMUM LEVY LIMITATION IN THE PRECEDING OCTOBER PURSUANT TO) section 275.125, *plus or minus auditor's adjustments.* (IF THE DISTRICT IS ENTITLED TO AID PURSUANT TO SECTION 124.2123, THE LEVY LIMITATION PURSUANT TO SECTION 275.125, SUBDIVISION 6B, SHALL BE INCLUDED IN THE COMPUTATION OF THE RATIO. IF THE DISTRICT IS ENTITLED TO AID PURSUANT TO SECTION 124.2128, THE LEVY LIMITATION PURSUANT TO SECTION 275.125, SUBDIVISION 6D, SHALL BE INCLUDED IN THE COMPUTATION OF THE RATIO. THE ABATEMENT ADJUSTMENT SHALL BE RECOGNIZED AS REVENUE IN THE FISCAL YEAR IN WHICH IT IS RECEIVED.)

Sec. 2. Minnesota Statutes 1982, section 124.245, subdivision 1, is amended to read:

Subdivision 1. [BASIC COMPUTATION.] (a) (FOR THE 1981-1982 SCHOOL YEAR AND) Each year (THEREAFTER, EXCEPT FOR THE 1982-1983 SCHOOL YEAR,) the state shall pay a school district the difference by which an amount equal to \$90 per pupil unit in that school year or, in districts where the (ACTUAL) number of *actual* pupil units (IDENTIFIED IN SECTION 124.17, SUBDIVISION 1, CLAUSES (1) AND (2),) has increased from the prior year, \$95 per pupil unit in that school year, exceeds the amount raised by seven mills times the adjusted assessed valuation of the taxable property in the district for the preceding year. To qualify for aid pursuant to this subdivision in any school year, a district must have levied (THE FULL) seven EARC mills for use for capital expenditures in that year pursuant to section 275.125, subdivision 11a.

(FOR THE 1982-1983 SCHOOL YEAR THE STATE SHALL PAY A SCHOOL DISTRICT THE DIFFERENCE BY WHICH AN AMOUNT EQUAL TO \$89 PER PUPIL UNIT IN THAT SCHOOL YEAR OR, IN DISTRICTS WHERE THE ACTUAL NUMBER OF PUPIL UNITS IDENTIFIED IN SECTION 124.17, SUBDIVISION 1, CLAUSES (1) AND (2), HAS INCREASED FROM THE PRIOR YEAR, \$94 PER PUPIL UNIT IN THAT SCHOOL YEAR, EXCEEDS THE AMOUNT RAISED BY SEVEN MILLS TIMES THE ADJUSTED ASSESSED VALUATION OF THE TAXABLE PROPERTY IN THE DISTRICT FOR THE PRECEDING YEAR. TO QUALIFY FOR AID PURSUANT TO THIS SUBDIVISION IN ANY SCHOOL YEAR, A DISTRICT MUST HAVE LEVIED THE FULL SEVEN EARC MILLS FOR USE FOR CAPITAL EXPENDITURES IN THAT YEAR PURSUANT TO SECTION 275.125, SUBDIVISION 11A.)

(b) (IN THE 1982-1983 SCHOOL YEAR AND EACH YEAR THEREAFTER,) The aid under clause (a) for any dis-

trict which operates an approved secondary vocational education program or an approved senior secondary industrial arts program shall be computed using a dollar amount per pupil unit which is \$5 higher than the amount specified in clause (a).

(c) If the sum of a district's capital expenditure levy under section 275.125, subdivision 11a, attributable to any school year (STARTING IN 1982-1983) and its capital expenditure equalization aid, if any, under this subdivision for that school year exceeds (\$89) \$90 per pupil unit or, in districts where the (ACTUAL) number of *actual* pupil units (IDENTIFIED IN SECTION 124.17, SUBDIVISION 1, CLAUSES (1) AND (2),) has increased from the prior year, (\$94) \$95 per pupil unit, the amount of the excess may be expended only for the purpose of capital expenditures for equipment for secondary vocational education programs or senior secondary industrial arts programs.

Sec. 3. [126.60] [PROGRAMS OF EXCELLENCE.]

Subdivision 1. [DESIGNATION.] The commissioner of education shall designate secondary academic programs as programs of excellence by April 1 each year according to criteria established by the commissioner. The criteria may include: teacher qualifications; curriculum offerings; student ability averages; management; expectations; academic standards; order and discipline; clearly defined academic goals; administrative leadership; community support; organization for learning; frequency, monitoring, and reporting of homework; regularity and frequency of monitoring of pupil progress; coordination, articulation, and comprehensiveness of curriculum; variety of teaching strategies; opportunities for pupils responsibility; commitment to accept at least five pupils; and ability to provide host families. A designation as a program of excellence shall be for two school years and may be renewed upon reapplication.

Subd. 2. [APPLICATION.] A district may apply to the commissioner for designation of one or more of its secondary academic programs as a program of excellence. The application shall include information required by the commissioner. The commissioner shall distribute criteria and applications for all districts.

Subd. 3. [COMMITTEE.] The commissioner shall establish a programs of excellence committee. The committee shall advise the commissioner about criteria for the programs and may review district applications.

Subd. 4. [INCENTIVE GRANTS.] A district with a program designated as a program of excellence shall receive an incentive grant for the program for each year of the designation.

Sec. 4. [126.62] [PUPILS FOR PROGRAMS OF EXCELLENCE.]

Subdivision 1. [PUPIL SELECTION.] The commissioner of education shall select pupils to attend programs of excellence according to criteria established by the commissioner. The criteria may 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.

Subd. 2. [APPLICATION.] The commissioner shall distribute to all districts the criteria and application forms containing the date applications are due. Each district shall distribute the criteria and applications to all pupils in the district in grades 7 to 11 and their parents. Any pupil may request additional information about the program, school, and the district. A pupil shall be notified of selection by June 1 each year. Additional pupils may be selected after June 1 if space is available.

Subd. 3. [PROGRAM LIMITS.] No more than 100 pupils who have completed at least the eighth grade or equivalent may be selected to participate in the program. No more than ten pupils selected may attend a particular program of excellence at any one time.

Subd. 4. [ATTENDANCE.] A pupil selected shall attend the school with the program of excellence full time. A pupil may continue to attend the program through completion of all programs offered by the school if the pupil maintains satisfactory progress. At least twice a year the principal of a school with a program of excellence shall certify to the commissioner whether or not the pupil is making satisfactory progress. A pupil not making satisfactory progress, as certified by the principal, shall be dropped from the program as of the date of the certification.

Subd. 5. [COMMITTEE.] The programs of excellence committee, established in section 3, subdivision 3, shall advise the commissioner about criteria and application forms for pupil selection.

Subd. 6. [TRANSPORTATION.] The commissioner may reimburse transportation costs when a pupil demonstrates need.

Subd. 7. [HOST FAMILIES.] A school with a program of excellence shall screen and arrange for volunteer host families for nonresident pupils selected to attend the school.

Sec. 5. [126.64] [FOUNDATION REVENUE FOR PUPILS.]

Subdivision 1. [DISTRICT OF RESIDENCE.] All foundation revenue which a pupil selected to attend a school of excellence would have earned for the resident 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 program 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 program of excellence, the resident district shall not earn foundation revenue for that pupil.

Subd. 2. [DISTRICT OF ATTENDANCE.] The district receiving a pupil selected to participate in the program 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. 6. 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. A district which levies pursuant to this subdivision may not place the proceeds of the 1983 payable 1984 levy authorized by section 275.125, subdivision 9a, in the general fund.

Sec. 7. 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. 8. 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. 9. 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 *total* pupil unit, or \$95 per *total* pupil unit in districts where the (ACTUAL) number of *actual* 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) *levy* 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) *purchase and lease* computer systems hardware (AND RELATED PROPRIETARY), software, and *related supporting materials*, and to (PAY LEASING FEES FOR) *purchase or lease* 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) *levy* 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 *total* 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. 10. Minnesota Statutes 1983 Supplement, section 275.-125, subdivision 11b, is amended to read:

Subd. 11b. [SPECIAL PURPOSE CAPITAL EXPENDITURE LEVY.] In addition to the levy authorized in subdivi-

sion 11a, each year a school district may levy an amount not to exceed the amount equal to \$25 per *total* pupil unit. No levy under this clause shall exceed two mills times the adjusted assessed valuation of the property in the district for the preceding year. The proceeds of the tax shall be placed in the district's capital expenditure fund and may be used only for the following:

(a) for energy audits on district-owned buildings, and for funding those energy conservation and renewable energy measures which the energy audits indicate will reduce the use of non-renewable 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;

(e) for expenditures for the cleanup and disposal of polychlorinated biphenyls; and

(f) to pay principal and interest on loans from the state authorized by section 116J.37.

Sec. 11. 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, *each year* a school district may levy an amount not to exceed the amount equal to \$25 per *total* 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, *asbestos related repairs*, or the cleanup and disposal of polychlorinated biphenyls found in school buildings or property.

Sec. 12. 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. 13. 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 1985-86 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. 14. [STATUTORY OPERATING DEBT LEVY INTO GENERAL FUND.]

Notwithstanding Minnesota Statutes 1982, section 275.125, subdivision 9a, and any other law to the contrary, a school district located in a city of the first class, which does not levy pursuant to Minnesota Statutes, section 275.125, subdivision 6e, may place the proceeds of the 1983 payable 1984 levy authorized by Minnesota Statutes 1982, section 275.125, subdivision 9a, in the general fund. This authority shall not be construed to modify a district's obligation to eliminate its statutory operating debt.

Sec. 15. [OPERATING DEBT LEVY FOR BUHL AND MOUNTAIN IRON CONSOLIDATION.]

Subdivision 1. [AUTHORIZATION.] In 1985 and each year thereafter, the newly created district formed by the consolidation of Independent School District No. 694, Buhl, and Independent School District No. 703, Mountain Iron, may make an additional levy to eliminate a deficit in the net unappropriated operating funds of the newly created district, determined as of June 30, 1985, and certified and adjusted by the commissioner. This levy each year may be an amount not to exceed 1.5 mills times the adjusted assessed valuation of the newly created district for the preceding year as determined by the equalization aid review committee. When the cumulative amount of the levies made pursuant to this subdivision equals the total amount of the certified deficit of the newly created district, the levy shall be discontinued.

Subd. 2. [USE OF PROCEEDS.] 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.

Subd. 3. [CONDITION OF LEVY AUTHORITY.] In any year in which the newly created district levies pursuant to this subdivision, it shall certify the maximum levy allowable under section 275.125, subdivision 2a, in that same year.

Subd. 4. [EFFECTIVE DATE AND NO LOCAL APPROVAL.] Pursuant to Minnesota Statutes, section 645.023, subdivision 1, clause (a), this section is effective without local approval the day following final enactment.

Sec. 16. [HERMANTOWN; SPECIAL ASSESSMENT LEVY.]

In 1984, Independent School District No. 700, Hermantown, may certify a levy in an amount not to exceed \$50,000 for a special sewer and water assessment.

Sec. 17. [REPEALER.]

Subdivision 1. Minnesota Statutes 1982, sections 124.245, subdivision 1a; 124.246, subdivision 2a; 124.26, subdivision 1a; 124.273, subdivisions 1a and 2a, are repealed.

Sec. 18. [APPROPRIATION FOR DEFICIENCIES.]

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 \$1,031,000 and for the fiscal year ending June 30, 1985, the sum of \$1,000,000. These appropriations shall be added to the sums appropriated for fiscal years 1984 and 1985 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. [RESIDENTIAL FACILITIES AID.] For residential facilities aid pursuant to section 124.32, subdivision 5, there is appropriated from the general fund to the department of education, the sum of \$526,100 for the fiscal year ending June 30, 1984 and the sum of \$526,100 for the fiscal year ending June 30, 1985. These appropriations shall be added to the sums appropriated for fiscal years 1984 and 1985 in Laws 1983, chapter 314, article 3, section 19, subdivision 5.

Sec. 19. [APPROPRIATION.]

Subdivision 1. [NETT LAKE.] The sum of \$20,000 is appropriated from the general fund to the department of education to pay the obligation of Independent School District No. 707, Nett Lake, for unemployment compensation. The sum shall be available until June 30, 1985.

Subd. 2. [PROGRAMS OF EXCELLENCE.] For planning and development of programs of excellence pursuant to sections

3 to 5, there is appropriated from the general fund to the department of education for fiscal year 1985, the sum of \$15,000.

Sec. 20. [EFFECTIVE DATES.]

Subdivision 1. Sections 3 to 5 are effective July 1, 1984, for programs of excellence to be implemented beginning in the 1985-1986 school year.

Subd. 2. Sections 13 and 18 are effective the day following final enactment.

Subd. 3. Section 9 is effective for expenditures of levy proceeds beginning in the 1984-1985 school year.

ARTICLE 7

MISCELLANEOUS

Section 1. Minnesota Statutes 1983 Supplement, section 121.15, subdivision 1, is amended to read:

Subdivision 1. [CONSULTATION.] A school district shall consult with the department of education before developing any plans and specifications to construct, remodel, or improve the building or site of an educational facility, other than an area vocational technical institute. This consultation shall occur before a referendum for bonds, solicitation for bids, or use of capital funds according to section 275.125, subdivision 11a, clause (c), is initiated.

Sec. 2. Minnesota Statutes 1983 Supplement, section 121.503, subdivision 5, is amended to read:

Subd. 5. [REPORT.] The council on quality education shall submit a report to the education committees of the legislature by February 1 each year. This report shall include the number and description of programs approved, implementation status of programs approved, waivers granted, and evaluation of programs approved.

Sec. 3. 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. 4. Minnesota Statutes 1982, section 121.912, is amended by adding a subdivision to read:

Subd. 4. [ACCOUNT TRANSFER FOR STATUTORY OPERATING DEBT.] On June 30 of each year, a district may make a permanent transfer from the general fund account entitled "unappropriated fund balance since statutory operating debt" to the account entitled "appropriated fund balance reserve account for purposes of reducing statutory operating debt." The amount of the transfer is limited to the lesser of (a) the net unappropriated operating fund balance, or (b) the sum of the remaining statutory operating debt levies authorized for all future years according to section 275.125, subdivision 9a. If the net unappropriated operating fund balance is less than zero, the district may not make a transfer.

Sec. 5. 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. 6. 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. 7. 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 CONFOR-

MANANCE 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. 8. [123.3513] [ADVANCED ACADEMIC CREDIT.]

A school district shall grant academic credit to a pupil attending an accelerated or advanced academic course offered by a higher education institution or a nonprofit public agency other than the district, if the pupil successfully completes the course attended and passes an examination approved by the district. If no comparable course is offered by the district, the state board of education shall determine the number of credits which shall be granted to a pupil who successfully completes and passes the course. If a comparable course is offered by the district, the school board shall grant a comparable number of credits to the pupil. If there is a dispute between the district and the pupil regarding the number of credits granted for a particular course, the pupil 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 pupil shall be counted toward the graduation requirements and subject area requirements of the school district. Evidence of successful completion of each class and credits granted shall be included in the pupil's secondary school record.

Sec. 9. Minnesota Statutes 1982, section 123.36, subdivision 10, is amended to read:

Subd. 10. (a) The board may lease a schoolhouse (WHICH) that 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 that is ascribable to the payment of expenses necessary and incidental to the construction or purchase of the particular building or property that is leased. Any remaining net proceeds in these districts may be deposited in either the debt redemption fund or capital expenditure fund. (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. 10. 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) for capital expenditures (TO RENOVATE AND IMPROVE) for the betterment, as defined in section 475.51, subdivision 8, of district-owned school buildings (IN WHICH ENROLLMENT HAS INCREASED AS A RESULT OF CLOSING SCHOOLS IN THE DISTRICT), other than as provided in clauses (b), (c), and (d); or

(g) to replace the building or property sold.

The amount of the proceeds used for the purposes specified in clauses (a), (b), (c), (d), and (e) shall be deducted from the levy limitation computed for the levy authorized in section 275.-125. (SUBDIVISION) subdivisions 11b and 11c, as applicable, 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. 11. [124.2139] [REDUCTION OF HOMESTEAD CREDIT PAYMENTS TO SCHOOL DISTRICTS.]

Beginning with homestead credit payments made to school districts pursuant to section 273.13, subdivisions 6, 7, and 14a, in fiscal year 1985 for taxes payable in 1984, and each year thereafter, the commissioner of revenue shall reduce these payments to any school district by the product of:

(1) *the district's fiscal year 1984 payroll for coordinated plan members of the public employees retirement association, times*

(2) *the difference between the employer contribution rate in effect prior to July 1, 1984, and the total employer contribution rate in effect after June 30, 1984.*

Sec. 12. 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. 13. Minnesota Statutes 1982, section 125.12, subdivision 3, is amended to read:

Subd. 3. [PROBATIONARY PERIOD.] The first (AND SECOND) *three* consecutive years of a teacher's first teaching experience in Minnesota in a single school district shall be deemed to be a probationary period of employment, and after completion thereof, the probationary period in each school district in which (HE) *the teacher* is thereafter employed shall be one year. (A TEACHER WHO HAS COMPLIED WITH THE THEN APPLICABLE PROBATIONARY REQUIREMENTS

IN A SCHOOL DISTRICT PRIOR TO JULY 1, 1967, SHALL NOT BE REQUIRED TO SERVE A NEW PROBATIONARY PERIOD IN THE SAID DISTRICT SUBSEQUENT THERETO.) *The school board shall adopt a plan for written evaluation of teachers during the probationary period. Evaluation shall occur not less than three times each year. During the probationary period any annual contract with any teacher may or may not be renewed as the school board shall see fit; provided, however, that the school board shall give any such teacher whose contract it declines to renew for the following school year written notice to that effect before June 1. If the teacher requests reasons for any nonrenewal of a teaching contract, the school board shall give the teacher its reason in writing, including a statement that appropriate supervision was furnished describing the nature and the extent of such supervision furnished the teacher during (HIS) the employment by the board, within ten days after receiving such request. The school board may, after a hearing held upon due notice, discharge a teacher during the probationary period for cause, effective immediately, under section 123.35, subdivision 5.*

Sec. 14. Minnesota Statutes 1982, section 125.17, subdivision 2, is amended to read:

Subd. 2. [PROBATIONARY PERIOD; DISCHARGE OR DEMOTION.] All teachers in the public schools in cities of the first class during the first three years of consecutive employment shall be deemed to be in a probationary period of employment during which period any annual contract with any teacher may, or may not, be renewed as the school board shall see fit. *The school board shall adopt a plan for a written evaluation of teachers during the probationary period. Evaluation shall occur not less than three times each year. The school board may, during such probationary period, discharge or demote a teacher for any of the causes as specified in this code. A written statement of the cause of such discharge or demotion shall be given to the teacher by the school board at least 30 days before such removal or demotion shall become effective, and the teacher so notified shall have no right of appeal therefrom.*

Sec. 15. Minnesota Statutes 1982, section 125.611, is amended by adding a subdivision to read:

Subd. 13. [APPLICATIONS AFTER JUNE 30, 1984.] *The state shall not reimburse the district for any portion of an early retirement incentive for any applications submitted after June 30, 1984. Beginning on July 1, 1984, a teacher meeting the requirements of subdivision 1 may apply to the school board of the employing district for a contract for termination of services, withdrawal from active teaching service, and payment of an early retirement incentive. This application shall be submitted on or before February 1 of the school year at the end of which*

the teacher wishes to retire. A school board shall approve or deny the application within 30 days after it is received by the board. The amount of the early retirement incentive shall be agreed upon between the teacher and the school board. The early retirement incentive shall be paid by the employing district at the time and in the manner mutually agreed upon by a teacher and the board.

Sec. 16. Minnesota Statutes 1982, section 125.185, subdivision 4, is amended to read:

Subd. 4. The board shall develop and create rules for the licensure of public school teachers and interns, and from time to time (THE BOARD OF TEACHING) it shall revise or supplement the rules for licensure of public school teachers subject to the provisions of chapter 14. It shall be the duty of the board (OF TEACHING) to establish rules for the approval of teacher education programs; provided these rules shall encourage teacher educators to obtain periodic classroom teaching experience. The board (OF TEACHING) shall also grant licenses to interns and to candidates for original licenses and receive recommendations from local committees as established by the board (OF TEACHING) for the renewal of teaching licenses, grant life licenses to those who qualify according to requirements established by the board (OF TEACHING), and suspend or revoke licenses pursuant to sections 125.09 and 214.10. *Notwithstanding any law or rule to the contrary, the board shall not establish any expiration date for application for life licenses.* With regard to vocational education teachers the board of teaching shall adopt and maintain as its rules the rules of the state board (FOR VOCATIONAL) of education and the state board of vocational technical education.

Sec. 17. Minnesota Statutes 1983 Supplement, section 129B.02, subdivision 4, is amended to read:

Subd. 4. [REPORT TO LEGISLATURE.] The council shall report to the *education committees of the legislature* by November 15 of each even-numbered year concerning all research and all proposals received, the dispositions of them by the council and the state board of education, the evaluations of the programs that were funded, and of receipts and expenditures resulting from sales of materials developed through venture fund grants.

Sec. 18. Minnesota Statutes 1983 Supplement, section 129B.041, subdivision 1, is amended to read:

Subdivision 1. [COPYRIGHT.] Products of projects and programs funded pursuant to sections 129B.01 to 129B.05, including curriculum and instructional materials, computer and telecommunications software, and associated manuals and reports, may be copyrighted by the council in the name of the

state and may be sold. However, the state shall sell the products to all school districts and public agencies in the state at prices that do not exceed the cost of reproduction and distribution. *Products sold shall be clearly labeled as products developed pursuant to a grant or loan from the council on quality education.*

Sec. 19. Minnesota Statutes 1983 Supplement, section 129B.041, subdivision 3, is amended to read:

Subd. 3. [REVOLVING FUND.] The education (PRODUCTS) *product and loan repayment* revolving account is established in the state treasury. (EXCEPT AS PROVIDED IN THE AGREEMENT BETWEEN THE COUNCIL AND THE MINNESOTA EDUCATIONAL COMPUTING CONSORTIUM PURSUANT TO SUBDIVISION 2,) *Repayment of loans, made according to section 129B.04, subdivision 2, and sale proceeds up to the cost of reproduction and distribution from the sale of products under this section shall be deposited in this account. All funds in this account are annually appropriated to the department of education and shall be used to reproduce and distribute products of projects and programs funded pursuant to sections 129B.01 to 129B.05.*

Sec. 20. Minnesota Statutes 1982, section 275.125, subdivision 9a, is amended to read:

Subd. 9a. [STATUTORY OPERATING DEBT LEVY.] (1) In 1978 and each year thereafter in which so required by this subdivision, a district shall make an additional levy to eliminate its statutory operating debt, determined as of June 30, 1977 and certified and adjusted by the commissioner. This levy shall not be made in more than 20 successive years and each year before it is made, it must be approved by the commissioner and the approval shall specify its amount. This levy shall in each year be an amount which is equal to the amount raised by a levy of 1.5 mills times the adjusted assessed valuation of the district for the preceding year (AS DETERMINED BY THE EQUALIZATION AID REVIEW COMMITTEE); provided that in the last year in which the district is required to make this levy, it shall levy an amount not to exceed the amount raised by a levy of 1.5 mills times the adjusted assessed valuation of the district for the preceding year (AS DETERMINED BY THE EQUALIZATION AID REVIEW COMMITTEE). When the *sum of the cumulative levies made pursuant to this subdivision (EQUAL) and transfers made according to section 121.912, subdivision 4 equals* an amount equal to the statutory operating debt of the district, the levy shall be discontinued.

(2) The district shall establish a special account in the general fund which shall be designated "appropriated fund balance reserve account for purposes of reducing statutory operating debt" on its books and records. This account shall

reflect the levy authorized pursuant to this subdivision. The proceeds of this levy shall be used only for cash flow requirements and shall not be used to supplement district revenues or income for the purposes of increasing the district's expenditures or budgets.

(3) Any district which is required to levy pursuant to this subdivision shall certify the maximum levy allowable under subdivision 2a in that same year.

(4) Each district shall make permanent fund balance transfers so that the total statutory operating debt of the district is reflected in the general fund as of June 30, 1977.

Sec. 21. 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. 22. 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 policies, or contract or contracts of group insurance or benefits covering life, health, and accident, in the case of employees, and medical and surgical benefits, and hospitalization insurance or benefits, for both employees and dependents, or dependents of an employee whose death was due to causes arising out of and in the course of employment, or any one or more of such forms of insurance or protection. 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 por-

tion 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. 23. 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. 24. 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 re-invested in accordance with the further provisions of Minnesota Statutes, Section 475.66, as amended.

Sec. 25. 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) 12 school districts during the (1983-1984) 1984-1985 school year. *Districts participating in the pilot test sites shall meet hardware, software, and support limitations of the test system use as established by the department. The department shall encourage districts in geographic areas that are not now pilot testing microcomputer-based financial reporting systems to apply for additional test sites. In selecting additional test sites, the department shall give preference to districts in geographic areas that do not currently have test sites.* 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: changes in fees and costs for districts not participating in the pilot test; 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. 26. Laws 1983, chapter 314, article 8, section 23, is amended to read:

Sec. 23. [RULEMAKING ON CURRICULUM.]

Subdivision 1. [SECONDARY CURRICULUM.] By September (1) 30, 1984, the state board of education shall adopt rules pursuant to chapter 14, establishing (ELEMENTARY AND) secondary curriculum requirements (WHICH) that will ensure that a minimum comprehensive educational program is available to all public secondary school students in the state. The secondary curriculum rules adopted by the state board shall be effective beginning in the 1985-1986 school year.

Subd. 2 [ELEMENTARY CURRICULUM.] By September 1, 1985, the state board of education shall adopt rules pursuant to chapter 14, establishing elementary curriculum requirements that 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.

Subd. 3. [REPEALER.] This section is repealed on December 31, 1986.

Sec. 27. [RETROACTIVE CREDITS.]

Pupil records shall contain evidence of classes completed at the University of Minnesota talented youth mathematics project during the 1980-1981, 1981-1982, 1982-1983, and 1983-1984 school years. Pupils may take examinations according to section 8 for these classes and if the pupil passes the examination the pupil shall receive credit for courses taken during those years.

Sec. 28. [APPLICABILITY OF THREE YEAR PROBATION.]

Notwithstanding the provisions of section 13, a teacher who has completed at least one year of the first teaching experience in Minnesota in a single school district on June 30, 1984 shall be required to have a two-year probationary period in that district.

Sec. 29. [INDEPENDENT SCHOOL DISTRICT NO. 271; SALE OF BUILDING.]

Subdivision 1. [BUILDING EXCHANGE FOR CASH, PRODUCTS, AND SERVICES.] 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 re-

ceived from the purchaser shall first be placed in the debt retirement fund in compliance with Minnesota Statutes, section 123.36, subdivision 13, clause (1). Additional cash, if any, may be placed in the general fund. Products and services may be provided for a period of time not to exceed five years according to contractual terms. The products and services shall consist of at least computer hardware, software, training, and related services as needed by the district.

Subd. 2. [EFFECTIVE DATE AND NO LOCAL APPROVAL.] Pursuant to section 645.023, subdivision 1, clause (a), subdivision 1 is effective without local approval the day following final enactment.

Sec. 30. [INDEPENDENT SCHOOL DISTRICT NO. 284; SALE OF BUILDINGS.]

Subdivision 1. [EXCESS SALE PROCEEDS INTO GENERAL FUND.] Notwithstanding Minnesota Statutes, section 123.36, subdivision 13, or any other law to the contrary, Independent School District No. 284, Wayzata, may deposit the excess proceeds from the sale of any building owned by the district that is sold before January 1, 1986, into the general fund after complying with the provisions of Minnesota Statutes, section 123.36, subdivision 13, clause (1).

Subd. 2. [EFFECTIVE DATE AND NO LOCAL APPROVAL.] Pursuant to Minnesota Statutes, section 645.023, subdivision 1, clause (a), subdivision 1 is effective without local approval the day following final enactment.

Sec. 31. [INDEPENDENT SCHOOL DISTRICT NO. 622; SALE OF BUILDINGS.]

Subdivision 1. [EXCESS SALE PROCEEDS INTO GENERAL FUND.] Notwithstanding Minnesota Statutes, section 123.36, subdivision 13, or any other law to the contrary, Independent School District No. 622, North St. Paul-Maplewood, may deposit the excess proceeds from the sale of any building owned by the district that is sold after July 1, 1983, into the general fund after complying with the provisions of Minnesota Statutes, section 123.36, subdivision 13, clause (1).

Subd. 2. [EFFECTIVE DATE AND NO LOCAL APPROVAL.] According to Minnesota Statutes, section 645.023, subdivision 1, clause (a), subdivision 1 is effective without local approval the day following final enactment.

Sec. 32. [INDEPENDENT SCHOOL DISTRICT NOS. 524 AND 525; SPECIAL CONSOLIDATION PROVISIONS.]

Subdivision 1. [SCHOOL DISTRICT NOS. 524 AND 525; 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 the provisions of Minnesota Statutes, section 122.23, or any other applicable law are inconsistent with this section, the provisions of this section shall apply.

Subd. 2. [EFFECTIVE DATE.] Pursuant to Minnesota Statutes, section 645.023, subdivision 1, clause (a), subdivision 1 is effective without local approval on the day following final enactment.

Sec. 33. [FUND TRANSFER AUTHORIZATION.]

Subdivision 1. [INDEPENDENT SCHOOL DISTRICT NO. 147.] Notwithstanding any law to the contrary, Independent School District No. 147, Dilworth, is authorized to permanently transfer to its general fund from its capital expenditure fund an amount not to exceed \$60,000.

Subd. 2. [LOCAL APPROVAL.] Subdivision 1 is effective the day after compliance by the school board of Independent School District No. 147 with Minnesota Statutes, section 645.021, subdivision 3.

Sec. 34. [FUND TRANSFER AUTHORIZATION.]

Subdivision 1. [INDEPENDENT SCHOOL DISTRICT NO. 319.] Notwithstanding any law to the contrary, Independent School District No. 319, Nashwauk-Keewatin, is authorized to permanently transfer an amount not to exceed \$75,000 from the pupil transportation fund balance account entitled "appropriated for bus purchases" to the general fund unappropriated fund balance account for the purpose of reducing the school district's operating debt on or before June 30, 1984.

Subd. 2. [NO LOCAL APPROVAL.] Pursuant to Minnesota Statutes, section 645.023, subdivision 1, clause (a), subdivision 1 is effective without local approval the day following final enactment.

Sec. 35. [FUND TRANSFER AUTHORIZATION.]

Subdivision 1. [INDEPENDENT SCHOOL DISTRICT NO. 464.] Independent School District No. 464, Grove City, may permanently transfer \$80,000 from the capital expenditure fund to the general fund.

Subd. 2. [LOCAL APPROVAL.] Subdivision 1 is effective the day after compliance by the school board of Independent School District No. 464, Grove City, with Minnesota Statutes, section 645.021, subdivision 3.

Sec. 36. [FUND TRANSFER AUTHORIZATION.]

Subdivision 1. [SCHOOL DISTRICT NO. 627; FUND TRANSFER.] Independent School District No. 627, Oklee, may permanently transfer \$50,000 from the bus purchase account of the pupil transportation fund to the general fund for the 1984-1985 school year.

Subd. 2. [LOCAL APPROVAL.] Subdivision 1 is effective the day after compliance by the school board of Independent School District No. 627 with Minnesota Statutes, section 645.021, subdivision 3.

Sec. 37. [FUND TRANSFER AUTHORIZATION.]

Subdivision 1. [INDEPENDENT SCHOOL DISTRICT NO. 726.] Notwithstanding the provisions of Minnesota Statutes, section 121.912, in fiscal year 1984, Independent School District No. 726, Becker, is authorized to permanently transfer the sum of \$100,000 from the general fund of the district to the capital expenditure fund of the district to eliminate a deficit in the capital expenditure fund.

Subd. 2. [LOCAL APPROVAL.] Subdivision 1 is effective the day after compliance by the school board of Independent School District No. 726 with Minnesota Statutes, section 645.021, subdivision 3.

Sec. 38. [FUND TRANSFER AUTHORIZATION.]

Subdivision 1. [INDEPENDENT SCHOOL DISTRICT NO. 852.] Independent School District No. 852, Campbell-Tintah, is authorized to make a permanent transfer of interest income from the capital expenditure fund to the general fund before July 1, 1984, and again, before July 1, 1985.

Subd. 2. [LOCAL APPROVAL.] Subdivision 1 is effective the day after compliance by the school board of Independent School District No. 852 with Minnesota Statutes, section 645.021, subdivision 3.

Sec. 39. [FUND TRANSFER AUTHORIZATION.]

Subdivision 1. [INDEPENDENT SCHOOL DISTRICT NO. 460.] Notwithstanding Minnesota Statutes, section 475.61, subdivision 4, or any other law to the contrary, by June 30, 1984, Independent School District No. 460, Granada-Huntley, may transfer to its general fund the amount of any surplus remaining in its debt service fund when the obligations and interest thereon for the Granada school building are paid.

Subd. 2. [LOCAL APPROVAL.] Subdivision 1 is effective the day after the school board of Independent School District No. 460 complies with Minnesota Statutes, section 645.021, subdivision 3.

Sec. 40. [FUND TRANSFER AUTHORIZATION.]

Subdivision 1. [INDEPENDENT SCHOOL DISTRICT No. 833.] Notwithstanding any law to the contrary, for the school year 1984-1985 Independent School District No. 833, South Washington County, may permanently transfer an amount not to exceed \$500,000 from the capital expenditure fund to the general fund.

Subd. 2. [LOCAL APPROVAL.] Subdivision 1 is effective the day after compliance by the school board of Independent School District No. 833 with Minnesota Statutes, section 645.021, subdivision 3.

Sec. 41. [ARTS EDUCATION REPORT.]

By January 15, 1985, the department of education shall report to the education committees of the legislature recommendations for improving arts education in elementary and secondary schools. The report shall include:

(1) a review of the comprehensive arts planning grants authorized by Minnesota Statutes, sections 129B.17 to 129B.21;

(2) an assessment of the need for arts programs at elementary and secondary schools with recommendations for expanded arts opportunities for all students; and

(3) recommendations about establishing a Minnesota school for the arts, specifically addressing: the need for the school; a governance structure; administration and staffing; curriculum

components, including academic areas; student selection procedures, tuition, transportation, and housing; capital and operational budgets; funding provisions and sources; and ability to serve as a statewide resource center for school districts and staff.

Sec. 42. [REPORT ABOUT COOPERATION AND SECONDARY VOCATIONAL COURSES.]

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 cooperating in providing special education, secondary vocational programs, and academic 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 include recommendations on offering cooperative programs through educational cooperative service units; education districts, as defined in Laws 1983, chapter 314, article 6, section 32; intermediate school districts; and other cooperations formed by joint powers agreements. 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. If the state board of education adopts rules requiring school districts to offer secondary vocational education courses, the report in subdivision 1 shall also 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 rules requiring school districts to offer secondary vocational education.

Sec. 43. [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. 44. [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. 45. [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 Minnesota Rules, part 8700.5501. The board of teaching shall suspend application of Minnesota Rules, part 8700.5501, subpart 2, item F 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 holding a provisional license in special education: early childhood, pursuant to Minnesota Rules, part 8700.5501, subpart 4, which is due to expire on July 1, 1984, may request an extension of the validity of the provisional license until July 1, 1985. They shall submit the requests to the personnel licensing section of the department of education.

Sec. 46. [REPORT ON VISION AND HEARING ASSESSMENT.]

By February 1, 1985, the departments of education and health shall report to the education committees of 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 pro-

grams, 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. 47. [STUDY OF AMBIENT AIR TESTING.]

The department of education shall conduct a study to determine the feasibility of using ambient air testing as an indicator of asbestos exposure in schools. If the department determines that ambient air testing is feasible in schools, it may contract for the development of ambient air standards to measure asbestos in schools.

Sec. 48. [EARLY RETIREMENT APPLICATIONS, 1983-1984 SCHOOL YEAR.]

Any teacher who has submitted an application for an early retirement incentive pursuant to Minnesota Statutes, section 125.611 in a timely manner during the 1983-1984 school year, whose application has been accepted by the commissioner of education prior to June 30, 1984, and who is eligible for a normal retirement annuity without reduction for age because the teacher's attained age plus credited allowable service totals 85, shall have the option of accepting either the early retirement incentive pursuant to Minnesota Statutes, section 125.611, or the normal retirement annuity without reduction for age because the teacher's attained age plus credited allowable service totals 85, but may not accept both. The teacher shall notify the school board, the commissioner of education, and the appropriate retirement association of his or her decision by July 15, 1984.

Sec. 49. [DESEGREGATION VARIANCE.]

The commissioner shall approve school desegregation plans that vary from the standard by up to an additional 15 percentage points if the local board can justify an educational reason for a variance to the state board from the comprehensive school desegregation plan submitted. If the variance is approved by the commissioner, it may result in a school building exceeding 50 percent minority enrollment if necessary.

Sec. 50. [TASK FORCE ON SCHOOL BUS SAFETY.]

Subdivision 1. [ESTABLISHMENT.] A task force on school bus safety is established. The task force shall consist of up to 13 members appointed by the commissioner of education. The commissioner shall appoint at least one member from the Minnesota safety council and one member from the department of public safety. The commissioner shall also appoint at least one

school administrator and a person to represent parents with children who regularly ride the school bus. The task force shall terminate by June 30, 1985.

Subd. 2. [DUTIES.] The task force shall study school bus safety. The study shall include at least 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) relative population of school buses which are and are not subject to federal requirements for safety features;*
- (4) qualifications, training, examination, and licensing of school bus drivers;*
- (5) adequacy of school bus maintenance;*
- (6) current requirements and practices about school bus hauling distances;*
- (7) safety aspects of school bus pickup points; and*
- (8) instruction given to school children about safe boarding and departing procedures.*

Subd. 3. [EXPENSES.] The compensation of task force members, removal, and vacancies shall be as provided in section 15.059, subdivisions 3 and 4.

Subd. 4. [REPORT.] The task force shall report its findings and recommendations to the commissioner of education and the education committees of the legislature by December 1, 1984.

Sec. 51. [ADVISORY COUNCIL ON BARGAINING IMPASSE RESOLUTION.]

Subdivision 1. There is created an advisory council on bargaining impasse resolution whose purpose shall be to study collective bargaining as it relates to public schools.

Subd. 2. The advisory council shall consist of 11 members as follows: two members of the senate appointed by the subcommittee on committees of the committee on rules and administration; two members of the house of representatives appointed by the speaker of the house; the director of the bureau of mediation services or a designee; and six members of the general public appointed by the governor. The advisory council shall elect a

chair from its membership. The advisory council shall terminate on June 30, 1985.

Subd. 3. By January 15, 1985, the advisory council shall submit to the legislative commission on employee relations its report and recommendations on the impasse resolution policies under Minnesota Statutes, sections 179.61 to 179.76 relating to public schools. The advisory council shall study:

(1) existing provisions of state law relating to negotiations, mediation, and impasse resolution;

(2) attitudes of public employers and employees and the public on current collective bargaining laws relating to public schools;

(3) collective bargaining laws in other states relating to public schools;

(4) changes in statutory timelines and the right to strike; and

(5) collective bargaining rights and procedures relating to principals and assistant principals.

Subd. 4. The legislative commission on employee relations shall provide staff for the advisory council. Members who are legislators shall be compensated in the same manner as other legislative meetings. The compensation of public members shall be governed by section 15.059, subdivision 3.

Sec. 52. [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. 53. [INSTRUCTION TO REVISOR.]

Subdivision 1. [INTERMEDIATE SCHOOL DISTRICTS.] The revisor of statutes shall include in the next subsequent edition 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. [DESEGREGATION VARIANCE.] The revisor of statutes shall replace Minnesota Rules, part 3525.0700, first paragraph, second sentence, with section 49.

Subd. 3. [MIDDLE SCHOOL LICENSURE.] The revisor of statutes shall change Minnesota Rules, part 8700.3400, subparts 11 and 12, to agree with the extension made in section 44.

Sec. 54. [REPEALER.]

Subdivision 1. Minnesota Statutes 1982, section 125.60, subdivision 2a, is repealed. Minnesota Statutes 1983 Supplement, section 129B.041, subdivision 2, is repealed.

Subd. 2. Section 28 is repealed on June 30, 1985.

Sec. 55. [APPROPRIATION.]

Subdivision 1. [BARGAINING IMPASSE STUDY.] The sum of \$12,500 is appropriated for fiscal year 1985 from the general fund to the legislative commission on employee relations for the advisory council bargaining impasse resolution. The sum is available until June 30, 1985.

Subd. 2. [BUS SAFETY TASK FORCE.] The sum of \$5,000 is appropriated for fiscal year 1985 from the general fund to the department of education for the task force on school bus safety. The sum is available until June 30, 1985.

Subd. 3. [ARTS EDUCATION REPORT.] The sum of \$148,000 is appropriated for fiscal year 1985 from the general fund to the department of education for the purposes of section 41.

The department of education shall not expend \$118,000 of this sum until it submits the report about establishing a Minnesota school for the arts to the chair of the senate education aids subcommittee and the chair of the house education finance division and receives their advisory recommendations on the school; failure or refusal to make a recommendation promptly is deemed a negative recommendation.

Subd. 4. [AMBIENT AIR TESTING STUDY.] The sum of \$10,000 is appropriated for fiscal year 1985 from the general fund to the department of education for the study on ambient air testing. This appropriation is available to match funds from other sources if the department contracts for the development of ambient air standards for measuring asbestos in schools. The sum is available until June 30, 1985.

Sec. 56. [EFFECTIVE DATES.]

Subdivision 1. Sections 50, 51, and 55 are effective the day following final enactment.

Subd. 2. Sections 3 and 21 are effective June 30, 1984.

Subd. 3. Sections 11, 15, and 48 are effective only upon the effective date of a law passed by the 1984 legislature which makes a teacher employed by a school district eligible for a normal retirement annuity without reduction for age because the teacher's attained age plus credited allowable service totals 85.

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 education, 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 administrative staff, teachers, parents, and other community residents of the district. To the extent possible, parents and other community residents shall comprise at least two-thirds of the advisory committee.*

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 include the opinions of students, parents and other residents of the (COMMUNITY SERVED BY THE) school district.

Subd. 5. (UPON RECEIPT OF) *After completing 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;*
- (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; and*
- (e) the annual school district improvement plans.*

Every other year the report shall include an evaluation of the assessment program pursuant to subdivision 7.

The school board shall disseminate the report to all residents of the district by publication in the local newspaper with the largest circulation in the district, by newsletter, 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 EVALUATION; ASSESSMENT PROGRAM.] *At least once every two years the school board shall evaluate the 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, evaluation, 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 shall 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) 6, (3) 7, and (4) 8.

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. [129B.10] [RESEARCH AND DEVELOPMENT GRANTS.]

Subdivision 1. [PURPOSE.] The purpose of this section is to support research on alternative educational structures and practices within public schools and to develop alternatives that are based on research.

Subd. 2. [ADVISORY TASK FORCE.] The council on quality education shall appoint an advisory task force on research and development for alternative educational structures and practices. The advisory task force shall consist of 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 council in carrying out its responsibilities under this section. The terms, compensation, and removal of members shall be governed by the provisions of section 15.059, subdivision 6.

Subd. 3. [RESEARCH AND DEVELOPMENT SUBJECTS.] The council shall select subjects for research and development focusing on alternative educational structures and practices. 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. 4. [PRELIMINARY STUDIES.] The council shall contract for preliminary studies to assist it in establishing research and development needs and selecting subjects for proposals. Preliminary studies shall include recommendations for evaluation procedures which the council may use if the council issues a grant for research and development in that particular subject.

Subd. 5. [REPORT TO LEGISLATURE; SUBJECTS.] By February 1, 1985, the council shall report to the education committees of the legislature on the research needs that the council has identified, the recommended subjects for proposals, and the potential need for changes in rules and laws to facilitate the research and development programs. The report shall include specific proposals for independent evaluation of research and development programs which will be funded under the provisions of this section. The legislature shall consider the recommendations of the council in determining the appropriation for grants to be disbursed under the provisions of this section.

Subd. 6. [RESEARCH AND DEVELOPMENT GRANTS.] By June 1, 1985, the council shall request proposals on three to six research and development subjects. Each request for proposals shall state the method by which a funded program will be evaluated. By September 1, 1985, the council shall review the proposals it receives and award grants.

Subd. 7. [REPORT TO LEGISLATURE; RESEARCH REPORTS.] By February 1, 1988, the council shall report to the education committees of the legislature. The report shall include the council's evaluation of each research and development program, recommendations for institutional changes in the structure of elementary and secondary education, and recommendations for other ways of improving elementary and secondary education.

Sec. 10. 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. 11. Minnesota Statutes 1983 Supplement, section 129B.36, subdivision 7, is amended to read:

Subd. 7. [EVALUATION OF SITES.] The (STATE BOARD) advisory committee shall evaluate the technology demonstration sites. It may contract with independent evaluators for this purpose.

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. [STUDY OF TEACHER EDUCATION.]

Subdivision 1. [HIGHER EDUCATION COORDINATING BOARD.] The higher education coordinating board shall con-

duct a study, in cooperation with the board of teaching, of teacher 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. 14. [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. 15. [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 13 members. One member shall be from the elementary school principals association, one member shall be from the secondary school principals association, one member shall represent the educational cooperative service units, and 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 costs of operation, staffing, manner of operation, services to be provided, fees for school districts, and other matters. The assessment center shall be located at the University of Minnesota.

Sec. 16. [SUMMER INSTITUTE STUDY.]

The academic excellence foundation shall report to the education committees of the legislature by January 15, 1985, on the availability of and need for summer institutes at or conducted by post-secondary institutions for secondary students who are outstanding in the areas of mathematics, science, and foreign languages.

Sec. 17. [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:

<i>Math</i>	<i>\$ 65,000</i>
<i>Science</i>	<i>\$105,000</i>
<i>Social Studies</i>	<i>\$ 40,000</i>

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 effective-

ness training to school district staff, including the costs of stipends or substitute teachers.

Subd. 6. [INSTRUCTIONAL EFFECTIVENESS ADMINISTRATION.] *The sum of \$70,000 is appropriated for the purposes of administering the instructional effectiveness program.*

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.] *The sum of \$150,000 is appropriated for the council on quality education for the research and development grant program authorized in section 9. No more than \$80,000 of this appropriation shall be used for staff expenses. The department of education may increase its authorized complement for the council on quality education 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. The department may use up to \$150,000 to increase the staff complement in the assessment section, \$50,000 of which shall be used for one additional professional position. The remaining \$100,000 is available for three positions in the assessment section 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 and has not been transferred to another section in the department. 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.*

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 state complement by two positions in the assessment section.*

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. Any unexpended balance remaining from this appropriation for fiscal year 1985 shall not cancel but shall be available for use in fiscal year 1986 until November 1, 1985.

Subd. 13. [TECHNOLOGY DEMONSTRATION SITES.] The sum of \$581,000 is appropriated to fund the technology demonstration site proposals under Minnesota Statutes, section 129B.36, which were the first, second, third, 12th, and 15th highest proposals rated by the advisory committee on technology in education. The grants awarded to each of the districts submitting these proposals shall be for use during the 1983-1984 and 1984-1985 school years and shall not exceed the actual amount of the grant proposal submitted to the state board of education or \$125,000, whichever is less.

Sec. 18. [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. 19. [EFFECTIVE DATE.]

Sections 1, 2, 3, 9, 12, 13, 14, 15, 17, and 18 are effective the day following final enactment.

ARTICLE 9

CASH FLOW

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; and

(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. Minnesota Statutes 1982, section 121.904, is amended by adding a subdivision to read:

Subd. 4c. [PROPERTY TAX SHIFT REDUCTION.] (a) For the purpose of this subdivision, "combined fund balance" means the sum of the fund balance determined by the commissioner of finance pursuant to section 9 of this article, after transfers to the education aids increase account, plus the balance in the education aids increase account.

(b) If the combined fund balance exceeds \$58,000,000, the levy recognition percent specified in subdivision 4a, clauses

(b)(2) and (b)(3), shall be reduced for taxes payable in 1985 and thereafter according to the provisions of this subdivision.

(c) The levy recognition percent shall equal the result of the following computation: 32 percent, times the ratio of

(1) the statewide total amount of levy recognized in June 1985 pursuant to subdivision 4a, clause (b), reduced by the amount of the combined fund balance in excess of \$50,000,000, to

(2) the statewide total amount of the levy recognized in June 1985 pursuant to subdivision 4a, clause (b).

The result shall be rounded up to the nearest whole percent. However, in no case shall the levy recognition percent be reduced below 24 percent.

Sec. 3. Minnesota Statutes 1983 Supplement, section 124.155, subdivision 1, is amended to read:

Subdivision 1. [AMOUNT OF ADJUSTMENT.] (BEGINNING WITH) In 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). (ANY LOAN AMOUNT AUTHORIZED FROM THE CASH FLOW LOAN FUND OR) 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 not include any amount levied pursuant to section 275.125, subdivision 2d. 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 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. 5. 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. 6. Minnesota Statutes 1983 Supplement, section 124.195, is amended by adding a subdivision to read:

Subd. 11. [NONPUBLIC AIDS.] The state shall pay to each school district 85 percent of its aid for pupils attending non-public schools, according to sections 123.931 to 123.947 by December 31. The final aid distribution shall be made by December 31 of the following school year.

Sec. 7. Minnesota Statutes 1982, section 475.61, subdivision 1, is amended to read:

Subdivision 1. [DEBT SERVICE RESOLUTION.] The governing body of any municipality issuing general obligations shall, prior to delivery of the obligations, levy by resolution a direct general ad valorem tax upon all taxable property in the municipality to be spread upon the tax rolls for each year of the term of the obligations. The tax levies for all years for municipalities other than school districts shall be specified and such that if collected in full they, together with estimated collections of special assessments and other revenues pledged for the payment of said obligations, will produce at least five percent in excess of the amount needed to meet when due the principal and interest payments on the obligations. The tax levies for school districts shall be specified and such that if collected in full they, together with estimated collection of other revenues

pledged for the payment of the obligations, will produce between five and six percent in excess of the amount needed to meet when due the principal and interest payments on the obligations; except that, with the permission of the commissioner of education, a school board may specify a tax levy in a higher amount if necessary (BECAUSE OF) *either to meet an anticipated tax delinquency or for cash flow needs to meet the required payments from the debt redemption fund.* Such resolution shall irrevocably appropriate the taxes so levied and any special assessments or other revenues so pledged to the municipality's debt service fund or a special debt service fund or account created for the payment of one or more issues of obligations. The governing body may, in its discretion, at any time after the obligations have been authorized, adopt a resolution levying only a portion of such taxes, to be filed, assessed, extended, collected, and remitted as hereinafter provided, and the amount or amounts therein levied shall be credited against the tax required to be levied prior to delivery of the obligations.

Sec. 8. 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) *redemption* 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, 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 *or for cash flow needs to meet the required payments from the debt redemption fund.*

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. 9. [EDUCATION AIDS INCREASE ACCOUNT.]

Subdivision 1. [ESTABLISHMENT.] There is established an education aids increase account in the general fund of the state treasury for the deposit of funds to insure adequate funding for increases in aids to school districts for the biennium beginning July 1, 1985.

Subd. 2. [INITIAL TRANSFER.] The commissioner of finance shall transfer \$23,000,000 to the education aids increase account on July 1, 1984.

Subd. 3. [CONTINGENT TRANSFERS.] If forecasts of general fund revenues and expenditures prepared by the commissioner of finance pursuant to chapter 16A prior to December 1, 1984, indicate a projected general fund balance for the biennium ending June 30, 1985, the commissioner shall transfer the amount of the balance to the education aids increase account; however, in no case shall the cumulative total of all transfers according to this subdivision exceed \$27,000,000. Transfers to the education aids increase account shall remain in the account until expended.

Subd. 4. [EXPIRATION OF ACCOUNT.] The education aids increase account shall expire on June 30, 1987. Any unexpended moneys in the education aids increase account on June 30, 1987, shall be transferred to the general fund.

Sec. 10 [CERTIFICATION AND NOTICE OF PERCENT.]

The commissioner of finance shall certify to the commissioner of education the levy recognition percent computed under section 2 of this article by January 5, 1985. The commissioner of education shall notify school districts of any change by January 15, 1985.

Sec. 11. [TRANSFER IN FISCAL YEAR 1985 FOR ADDITIONAL AIDS.]

The commissioner of finance shall transfer from the general fund to the education aids appropriations specified by the commissioner of education, the amounts needed to finance the additional payments required because of the reduction pursuant to section 2 of this article of the levy recognition percentage in Minnesota Statutes, section 121.904, subdivision 4c. Payments to a school district of additional state aids resulting from a reduction in the levy recognition percentage pursuant to section 2 of this article, shall be added to the cash metering system, according to Minnesota Statutes, section 124.195, after January 15, 1985, and shall be paid in a manner consistent with the percentage specified in that section.

Sec. 12. [CASH FLOW EVALUATION.]

The commissioner of finance, in cooperation with the commissioner of education and the Minnesota association of school business officials, shall evaluate the impact on school districts of the cash flow provisions of Minnesota Statutes, chapter 124. The commissioner shall report the findings, along with recommendations, to the education committees of the legislature by February 15, 1985.

Sec. 13. [REPEALER.]

Minnesota Statutes 1982, sections 124.246, subdivision 5; 124.26, subdivision 5; 124.572, subdivision 8a; 124.573, subdivision 6; and 124.574, subdivision 8, are repealed. Minnesota Statutes 1983 Supplement, sections 124.225, subdivision 12; and 124.271, subdivision 6, are repealed.

Sec. 14. [APPROPRIATION.]

The appropriation for payment of support services for hearing impaired persons, according to Laws 1983, chapter 314, article 3, section 19, subdivision 8, for fiscal year 1985 is increased by \$6,000, from \$37,000 to \$43,000.

Sec. 15. [EFFECTIVE DATE.]

Sections 1 and 9 are effective the day following final enactment. Section 3 is effective the day following final enactment and shall apply to the adjustment made pursuant to Minnesota Statutes, section 124.155 in fiscal year 1984 and thereafter."

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; providing for an equalized early childhood and family education aid and levy; establishing a programs 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 120.05, subdivision 2; 120.06;

121.09; 121.21; 121.212, subdivision 1; 121.213; 121.214; 121.215; 121.2155; 121.216; 121.218; 121.904, by adding a subdivision; 121.908, by adding a subdivision; 121.912, by adding a subdivision; 121.935, subdivisions 2 and 6; 121.936, subdivision 1; 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; 124.245, subdivision 1; 124.564; 124.565, subdivisions 1, 6, and 7; 124.572, as amended; 124.573, subdivision 3; 125.12, subdivision 3; 125.17, subdivision 2; 125.611, by adding a subdivision; 125.185, subdivision 4; 136A.02, subdivision 6; 275.125, subdivision 9a, and by adding subdivisions; 465.721; 471.61, subdivisions 1 and 2a; and 475.61, subdivision 1; Minnesota Statutes 1983 Supplement, sections 120.17, subdivision 3b; 121.15, subdivision 1; 121.503, subdivision 5; 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 by adding a subdivision; 124.201, subdivisions 2, 4, and 5; 124.2122, subdivisions 1 and 2; 124.2126, subdivision 3; 124.2138; 124.214, subdivision 2; 124.271, subdivision 2b; 124.5611; 124.5612; 124.5614; 124.5615; 124.5616; 124.5617; 124.5618; 124A.06, subdivision 1; 124A.12, subdivision 1; 124A.14; 124A.16; 125.032, subdivision 2a; 129B.02, subdivision 4; 129B.041, subdivisions 1 and 3; 129B.32, subdivision 3; 129B.36, subdivision 7; 136C.01; 136C.02, subdivision 3; 136C.04, subdivisions 7, 10, and by adding a subdivision; 275.125, subdivisions 2e, 2k, 8, 8a, 9b, 11a, 11b, and 11c; 293.28, subdivision 1; 466.06; and 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; 126; 129B; and 136C; repealing Minnesota Statutes 1982, sections 121.217; 124.201, as amended; 124.212, subdivision 1; 124.245, subdivision 1a; 124.246, subdivisions 2a and 5; 124.26, subdivisions 1a and 5; 124.273, subdivisions 1a and 2a; 124.32, subdivisions 1a, 1e, and 2a; 124.565, subdivisions 3 and 4; 124.572, subdivisions 2a, 8, and 8a; 124.573, subdivisions 2a, 3b, 5, and 6; 124.574, subdivisions 2, 2a, 3a, and 8; 125.60, subdivision 2a; 129B.06; 129B.07; 129B.08; 129B.09, as amended; and 275.125, subdivisions 2g and 2h; Minnesota Statutes 1983 Supplement, sections 124.11, subdivisions 2a and 2b; 124.225, subdivision 12; 124.271, subdivision 6; 124.32, subdivision 5a; 124.5613, subdivision 1; 129B.041, subdivision 2; and 275.125, subdivisions 2i and 2j."

We request adoption of this report and repassage of the bill.

House Conferees: KEN NELSON, BOB MCEACHERN, BUZZ ANDERSON, CONNIE LEVI and GARY L. SCHAFER.

Senate Conferees: TOM A. NELSON, JAMES C. PEHLER and DARREL L. PETERSON.

Nelson, K., moved that the report of the Conference Committee on H. F. No. 1393 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

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 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.

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

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

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

There were 127 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
Battaglia	Findlay	Larsen	Piper	Sparby
Beard	Fjoslien	Levi	Price	Staten
Begich	Forsythe	Long	Quinn	Sviggum
Bennett	Graba	Ludeman	Quist	Swanson
Bergstrom	Greenfield	Mann	Redalen	Thiede
Bishop	Gruenes	Marsh	Reif	Tomlinson
Blatz	Gustafson	McDonald	Rice	Tunheim
Boo	Gutknecht	McEachern	Riveness	Uphus
Brandl	Halberg	McKasy	Rodosovich	Valan
Brinkman	Haukoos	Metzen	Rodriguez, C.	Valento
Burger	Heap	Minne	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	Jennings	Neuenschwander	Scheid	Welle
Cohen	Jensen	Norton	Schoenfeld	Wenzel
Coleman	Johnson	Ogren	Schreiber	Wigley
Dempsey	Kahn	Olsen	Seaberg	Wynia
DenOuden	Kalis	Omann	Segal	Zaffke
Dimler	Kelly	Onnen	Shaver	Speaker Sieben
Eken	Knickerbocker	Osthoff	Shea	
Elioff	Knuth	Otis	Sherman	
Ellingson	Kostohryz	Pauly	Simoneau	

Those who voted in the negative were:

Welker

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

Carlson, D., was excused while in conference.

MESSAGES FROM THE SENATE, Continued

The following messages were received from the Senate:

Mr. Speaker:

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

H. F. No. 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.

PATRICK E. FLAHAVEN, Secretary of the Senate

Krueger moved that the House refuse to concur in the Senate amendments to H. F. No. 1532, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

Mr. Speaker:

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

S. F. No. 1441.

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. 1407, 1614, 2072 and 2178.

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. 1776 and 1813.

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. 1940 and 1943.

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. 1243 and 1980.

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. 1736 and 2138.

PATRICK E. FLAHAVEN, Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 1441, 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; appropriating money; amending Minnesota Statutes 1982, sections 129A.01 and 129A.03.

The bill was read for the first time.

Greenfield moved that S. F. No. 1441 and H. F. No. 1667, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1407, 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.

Battaglia moved that S. F. No. 1407 and H. F. No. 1865, now on Special Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1614, 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.

Coleman moved that S. F. No. 1614 and H. F. No. 1708, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2072, 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.

The bill was read for the first time.

Schoenfeld moved that S. F. No. 2072 and H. F. No. 2185, now on Special Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2178, 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.

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

S. F. No. 1776, A bill for an act relating to real property; providing that the mortgage and contract for deed moratorium shall not be repealed until May 1, 1985; 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; amending Minnesota Statutes 1983 Supplement, sections 47.20, subdivision 15; 559.21, subdivision 6; 580.031; 583.03; 583.05; and 583.08; Laws 1983, chapter 215, section 16.

The bill was read for the first time.

Elioff moved that S. F. No. 1776 and H. F. No. 2036, now on Special Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1813, 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, and by adding a subdivision; 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.

Peterson moved that S. F. No. 1813 and H. F. No. 2113, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1940, 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, sections 340.034, by adding a subdivision; and 340.14, by adding a subdivision.

The bill was read for the first time.

Kahn moved that S. F. No. 1940 and H. F. No. 1750, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1943, A bill for an act relating to the city of Oakdale; providing a temporary increase in the levy limit base.

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

S. F. No. 1243, A resolution memorializing the President and Congress to establish a National Academy of Peace and Conflict Resolution.

The bill was read for the first time.

Greenfield moved that S. F. No. 1243 and H. F. No. 1303, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1980, A bill for an act relating to corrections; providing for costs of transporting convicted persons and children adjudicated delinquent to correctional facilities; appropriating money; 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.

S. F. No. 1736, 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; 352D.02, subdivision 1; 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.

Kahn moved that S. F. No. 1736 and H. F. No. 1668, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2138, 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, sections 609.135, by adding a subdivision; 609.14, subdivisions 1 and 3; and Minnesota Statutes 1983 Supplement, section 609.135, subdivision 1.

The bill was read for the first time.

Ogren moved that S. F. No. 2138 and H. F. No. 2055, now on Special Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

REPORTS FROM THE COMMITTEE ON RULES AND LEGISLATIVE ADMINISTRATION

Eken for the Committee on Rules and Legislative Administration offered the following report and moved its adoption:

Be It Resolved, that during the period of time between adjournment sine die in 1984 and convening of the House of Representatives in 1985, the House Chamber, House Retiring Room, House Hearing and Conference Rooms, House Offices, and the Chief Clerk's Offices shall be reserved for use by the House of Representatives as the Speaker of the House may authorize. The House Chamber and House Retiring Room may be made available for the annual meeting of the YMCA Youth In Government program and Girls' State, provided these organizations confirm dates with the Speaker of the House at least 30 days in advance.

The motion prevailed and the report was adopted.

Eken for the Committee on Rules and Legislative Administration offered the following report and moved its adoption:

Be It Resolved, that the House of Representatives retain those parts of parking lots B, C, D, E and the Mechanic Arts athletic field during the period of time between adjournment sine die in 1984 and convening of the House of Representatives in 1985 which are necessary for use of members and employees of the House of Representatives.

The motion prevailed and the report was adopted.

Eken for the Committee on Rules and Legislative Administration offered the following report and moved its adoption:

Be It Resolved, that the Chief Clerk of the House of Representatives be authorized and is hereby directed to correct and approve the Journal of the House for the last day of the 73rd Regular Session.

Be It Further Resolved, that the Chief Clerk of the House of Representatives be and is hereby authorized to include in the Journal of the House for the last day of the 73rd Regular Session any subsequent proceedings and any appointments to legislative interim committees or commissions.

The motion prevailed and the report was adopted.

Eken for the Committee on Rules and Legislative Administration offered the following report and moved its adoption:

Be It Resolved, that the Committee on Rules and Legislative Administration be and is hereby assigned all functions within its usual jurisdiction during the interim following adjournment sine die in 1984.

Be It Further Resolved, that the Committee on Rules and Legislative Administration shall contract for necessary printing of the House of Representatives for the 74th Regular Session and any special sessions held prior to the 75th Regular Session.

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

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

There were 119 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Beard	Bishop	Brandl	Carlson, D.
Anderson, G.	Begich	Blatz	Brinkman	Carlson, L.
Battaglia	Bennett	Boo	Burger	Clark, J.

Clark, K.	Haukoos	Mann	Piper	Skoglund
Clawson	Heap	Marsh	Price	Solberg
Coleman	Heinitz	McDonald	Quist	Sparby
Dempsey	Himle	McKasy	Redalen	Sviggum
DenOuden	Hoffman	Metzen	Reif	Swanson
Dimler	Hokr	Minne	Riveness	Thiede
Eken	Jacobs	Munger	Rodosovich	Uphus
Elioff	Jennings	Murphy	Rodriguez, C.	Valan
Ellingson	Jensen	Nelson, D.	Rodriguez, F.	Valento
Erickson	Johnson	Nelson, K.	Rose	Vanasek
Evans	Kahn	Neuenschwander	St. Onge	Vellenga
Findlay	Kelly	Norton	Schafer	Waltman
Fjoslien	Knickerbocker	O'Connor	Scheid	Welch
Forsythe	Knuth	Ogren	Schoenfeld	Welker
Frerichs	Kostohryz	Olsen	Schreiber	Welle
Graba	Krueger	Omann	Seaberg	Wenzel
Greenfield	Kvam	Onnen	Segal	Wigley
Gruenes	Larsen	Otis	Shaver	Wynia
Gustafson	Levi	Pauly	Shea	Zaffke
Gutknecht	Long	Peterson	Sherman	Speaker Sieben
Halberg	Ludeman	Piepho	Simoneau	

The motion prevailed and the report was adopted.

MOTION TO TAKE FROM THE TABLE

Carlson, L., moved that H. F. No. 449 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.

A roll call was requested and properly seconded.

The question was taken on the Carlson, L., motion and the roll was called.

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

There were 65 yeas and 56 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Graba	Mann	Peterson	Skoglund
Battaglia	Greenfield	McEachern	Piper	Solberg
Beard	Gustafson	Metzen	Price	Sparby
Begich	Hoffman	Minne	Quinn	Staten
Brandl	Jacobs	Munger	Riveness	Swanson
Brinkman	Jensen	Murphy	Rodosovich	Tomlinson
Carlson, L.	Kalis	Nelson, D.	Rodriguez, F.	Tunheim
Clark, J.	Kelly	Neuenschwander	St. Onge	Vanasek
Clark, K.	Knuth	Norton	Sarna	Welch
Cohen	Kostohryz	O'Connor	Scheid	Welle
Coleman	Krueger	Ogren	Schoenfeld	Wenzel
Eken	Larsen	Osthoff	Segal	Wynia
Ellingson	Long	Otis	Shea	Speaker Sieben

Those who voted in the negative were :

Bennett	Findlay	Jennings	Pauly	Thiede
Bishop	Fjoslien	Johnson	Piepho	Uphus
Blatz	Forsythe	Knickerbocker	Quist	Valan
Boo	Frerichs	Kvam	Redalen	Valento
Burger	Gruenes	Levi	Reif	Waltman
Carlson, D.	Gutknecht	Ludeman	Rose	Welker
Dempsey	Halberg	Marsh	Schafer	Wigley
DenOuden	Haukoos	McDonald	Schreiber	Zaffke
Dimler	Heap	McKasy	Seaberg	
Elioff	Heinitz	Olsen	Shaver	
Ericksen	Himle	Omann	Sherman	
Evans	Hokr	Onnen	Sviggum	

The motion prevailed.

CALL OF THE HOUSE LIFTED

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

There being no objection the order of business reverted to Messages from the Senate.

MESSAGES FROM THE SENATE

The following message was received from the Senate:

Mr. Speaker :

I hereby announce that the Senate refuses to concur in the House amendment to:

S. F. No. 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.

And the Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee Messrs. Chmielewski, Frederick and Lessard.

Said Senate File is herewith transmitted to the House with the request that the House appoint a like committee.

PATRICK E. FLAHAVEN, Secretary of the Senate

O'Connor moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 3 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two houses on S. F. No. 1563. The motion prevailed.

ANNOUNCEMENTS BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1532:

Krueger, Graba and Uphus.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1347:

Segal; Clark, J., and Bishop.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 449:

Carlson, L.; Kostohryz and Osthoff.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 1563:

O'Connor, Begich and Evans.

SPECIAL ORDERS, Continued

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 third 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.	Brinkman	Dimler	Greenfield	Jennings
Anderson, G.	Burger	Eken	Gruenes	Jensen
Battaglia	Carlson, D.	Elioff	Gustafson	Johnson
Beard	Carlson, L.	Ellingson	Gutknecht	Kahn
Begich	Clark, J.	Erickson	Halberg	Kalis
Bennett	Clark, K.	Evans	Haukoos	Kelly
Bergstrom	Clawson	Findlay	Heap	Knickerbocker
Bishop	Cohen	Fjoslien	Himle	Knuth
Blatz	Coleman	Forsythe	Hoffman	Kostohryz
Boo	Dempsey	Frerichs	Hokr	Krueger
Brandl	DenOuden	Graba	Jacobs	Kvam

Larsen	Neuenschwander	Quist	Seaberg	Uphus
Levi	Norton	Redalen	Segal	Valan
Long	O'Connor	Reif	Shaver	Valento
Ludeman	Ogren	Rice	Shea	Vanasek
Mann	Olsen	Riveness	Sherman	Vellenga
Marsh	Omamm	Rodosovich	Simoneau	Voss
McDonald	Onnen	Rodriguez, C.	Skoglund	Waltman
McEachern	Osthoff	Rodriguez, F.	Solberg	Welch
McKasy	Otis	Rose	Sparby	Welker
Metzen	Pauly	St. Onge	Staten	Welle
Minne	Peterson	Sarna	Sviggum	Wenzel
Munger	Piepho	Schafer	Swanson	Wigley
Murphy	Piper	Scheid	Thiede	Wynia
Nelson, D.	Price	Schoenfeld	Tomlinson	Zaffke
Nelson, K.	Quinn	Schreiber	Tunheim	Speaker Sieben

The bill was passed and its title agreed to.

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.

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

The bill was passed and its title agreed to.

MESSAGES FROM THE SENATE, Continued

The following message was received from the Senate:

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendment to:

S. F. No. 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.

And the Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee Ms. Reichgott and Messrs. Peterson, D. C., and Mrs. Brataas.

Said Senate File is herewith transmitted to the House with the request that the House appoint a like committee.

PATRICK E. FLAHAVEN, Secretary of the Senate

Carlson, L., moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 3 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two houses on S. F. No. 1760. The motion prevailed.

ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 1760:

Carlson, L.; Swanson and Bishop.

SPECIAL ORDERS, Continued

S. F. No. 1559 was reported to the House.

Otis moved to amend S. F. No. 1559, as follows:

Page 1, line 21, after "enactment" delete "and"

Page 1, line 22, delete the new language before the period

The motion prevailed and the amendment was adopted.

S. F. No. 1559, A bill for an act relating to public utilities; permitting the public utilities commission to order reimbursements to intervenors in telephone rate proceedings; amending Minnesota Statutes 1982, section 237.075, by adding a subdivision.

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

The question was taken on the passage of the bill and the roll was called. There were 68 yeas and 54 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Elioff	Minne	Quinn	Sparby
Anderson, G.	Ellingson	Munger	Rice	Staten
Battaglia	Greenfield	Murphy	Riveness	Swanson
Beard	Gustafson	Nelson, D.	Rodosovich	Tomlinson
Begich	Hoffman	Nelson, K.	Rodriguez, F.	Tunheim
Bergstrom	Jacobs	Neuenschwander	St. Onge	Vanasek
Brandl	Jensen	Norton	Sarna	Vellenga
Brinkman	Kelly	O'Connor	Scheid	Welch
Carlson, L.	Knuth	Ogren	Schoenfeld	Welle
Clark, J.	Kostohryz	Osthoff	Segal	Wenzel
Clark, K.	Larsen	Otis	Shea	Wynia
Cohen	Long	Peterson	Simoneau	Speaker Sieben
Coleman	Mann	Piper	Skoglund	
Eken	Metzen	Price	Solberg	

Those who voted in the negative were:

Bennett	Fjoslien	Jennings	Onnen	Sherman
Bishop	Forsythe	Johnson	Pauly	Sviggum
Blatz	Frerichs	Kalis	Piepho	Thiede
Boo	Graba	Knickerbocker	Quist	Uphus
Burger	Gruenes	Krueger	Redalen	Valan
Dempsey	Gutknecht	Eudeman	Reif	Valento
DenOuden	Halberg	Marsh	Rose	Waltman
Dimler	Haukoos	McDonald	Schafer	Welker
Erickson	Heap	McEachern	Schreiber	Wigley
Evans	Heinitz	McKasy	Seaberg	Zaffke
Findlay	Himle	Omman	Shaver	

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

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

The bill was passed and its title agreed to.

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 third 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 4 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Bishop	Clark, K.	Ellingson	Graba
Anderson, G.	Blatz	Cohen	Erickson	Greenfield
Battaglia	Brandl	Coleman	Evans	Gruenes
Beard	Brinkman	Dempsey	Findlay	Gustafson
Begich	Burger	Dimler	Fjoslien	Gutknecht
Bennett	Carlson, L.	Eken	Forsythe	Halberg
Bergstrom	Clark, J.	Elioff	Frerichs	Haukoos

Heap	Long	Osthoff	Sarna	Tunheim
Heinitz	Mann	Otis	Scheid	Uphus
Himle	Marsh	Pauly	Schoenfeld	Valan
Hoffman	McEachern	Peterson	Schreiber	Valento
Hokr	McKasy	Piepho	Seaberg	Vanasek
Jacobs	Metzen	Piper	Segal	Vellenga
Jensen	Minne	Price	Shaver	Waltman
Johnson	Munger	Quinn	Shea	Weich
Kahn	Murphy	Quist	Sherman	Welle
Kalis	Nelson, D.	Redalen	Simoneau	Wenzel
Kelly	Nelson, K.	Reif	Skoglund	Wigley
Knickerbocker	Neuenschwander	Rice	Solberg	Wymia
Knuth	Norton	Riveness	Sparby	Zaffke
Kostohryz	O'Connor	Rodosovich	Staten	Speaker Sieben
Krueger	Ogren	Rodriguez, C.	Sviggum	
Kvam	Olsen	Rodriguez, F.	Swanson	
Larsen	Omann	Rose	Thiede	
Levi	Onnen	St. Onge	Tomlinson	

Those who voted in the negative were:

DenOuden Jennings Schafer Welker

The bill was passed and its title agreed to.

S. F. No. 1849 was reported to the House.

There being no objection S. F. No. 1849 was temporarily laid over on Special Orders.

S. F. No. 1114 was reported to the House.

Uphus moved to amend S. F. No. 1114, the unofficial engrossment, as follows:

Page 6, after line 29, insert a new section 6 to read:

"Sec. 6. [PROPERTY.]

Notwithstanding any law to the contrary, the commissioner of natural resources may convey to the city of Melrose the following real property: Part of the North Half of the Southwest Quarter of Section Thirty-five (35), Township One Hundred and Twenty-six (126), Range Thirty-three (33), Stearns County, containing 26.5 acres more or less as shown on the plat attached to lease agreement No. 144-15-256 executed June 30, 1983, on form BL-192 (7-75), between the commissioner of natural resources, on behalf of the state of Minnesota, and the city of Melrose.

Upon payment by the city of the commissioner's appraised value, the commissioner of natural resources shall deliver to the city quitclaim deeds conveying all of the state's interest in that land subject to a reservation of any minerals or mineral rights in the state of Minnesota."

Renumber the following section accordingly

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Findlay, Erickson, Piper and Redalen moved to amend S. F. No. 1114, the unofficial engrossment, as amended, as follows:

Page 6, after line 7, insert:

"Sec. 5. Minnesota Statutes 1982, section 86A.05, is amended by adding a subdivision to read:

Subd. 13. [ADDITIONAL PARKS; ADMINISTRATION.] All other state parks which, though not meeting the resource and site qualifications contained in subdivisions 2 and 3, were in existence on January 1, 1984, shall be administered by the commissioner of natural resources as units of the outdoor recreation system."

Renumber the remaining sections

Amend the title as follows:

Page 1, line 5, after "Lake County" insert "; amending 86A.-05, by adding a subdivision"

The motion prevailed and the amendment was adopted.

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.

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

The question was taken on the passage of the bill and the roll was called. There were 113 yeas and 5 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Carlson, L.	Findlay	Himle	Krueger
Anderson, G.	Clark, J.	Fjoslien	Hoffman	Kvam
Battaglia	Clark, K.	Forsythe	Hokr	Larsen
Beard	Cohen	Frerichs	Jacobs	Levi
Begich	Coleman	Greenfield	Jensen	Long
Bennett	Dempsey	Gruenes	Johnson	Ludeman
Bergstrom	DenOuden	Gustafson	Kalis	Mann
Bishop	Eken	Gutknecht	Kelly	Marsh
Blatz	Elioff	Halberg	Knickerbocker	McEachern
Brandl	Ellingson	Heap	Knuth	McKasy
Brinkman	Erickson	Heinitz	Kostohryz	Metzen

Minne	Otis	Rodriguez, C.	Sherman	Valento
Munger	Pauly	Rodriguez, F.	Simoneau	Vanasek
Murphy	Peterson	Rose	Skoglund	Vellenga
Nelson, D.	Piepho	St. Onge	Sparby	Waltman
Nelson, K.	Piper	Sarna	Staten	Welch
Neuenschwander	Price	Schafer	Sviggum	Wenzel
Norton	Quist	Scheid	Swanson	Wigley
O'Connor	Redalen	Schoenfeld	Thiede	Wynia
Ogren	Reif	Schreiber	Tomlinson	Zaffke
Olsen	Rice	Seaberg	Tunheim	Speaker Sieben
Omman	Riveness	Segal	Uphus	
Osthoff	Rodosovich	Shea	Valan	

Those who voted in the negative were:

Dimler Haukoos Jennings Onnen Welle

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

S. F. No. 1849 which was temporarily laid over earlier today was again reported to the House.

S. F. No. 1849, 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 third 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	Kvam	Piepho	Sparby
Anderson, G.	Findlay	Larsen	Piper	Staten
Battaglia	Fjoslien	Levi	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	Gustafson	McEachern	Riveness	Valan
Boo	Gutknecht	McKasy	Rodosovich	Valento
Brandl	Halberg	Metzen	Rodriguez, C.	Vanasek
Brinkman	Haukoos	Minne	Rodriguez, F.	Vellenga
Burger	Heap	Munger	Rose	Voss
Carlson, D.	Heinitz	Murphy	St. Onge	Waltman
Carlson, L.	Himle	Nelson, D.	Sarna	Welch
Clark, J.	Hoffman	Nelson, K.	Schafer	Welker
Clark, K.	Hokr	Neuenschwander	Scheid	Welle
Cohen	Jacobs	Norton	Schoenfeld	Wenzel
Coleman	Jensen	O'Connor	Schreiber	Wigley
Dempsey	Johnson	Ogren	Seaberg	Wynia
DenOuden	Kalis	Omman	Segal	Zaffke
Dimler	Kelly	Onnen	Shea	Speaker Sieben
Eken	Knickerbocker	Osthoff	Sherman	
Elioff	Knuth	Otis	Simoneau	
Ellingson	Kostohryz	Pauly	Skoglund	
Erickson	Krueger	Peterson	Solberg	

The bill was passed and its title agreed to.

S. F. No. 1336 was reported to the House.

Vellenga moved to amend S. F. No. 1336, as follows:

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."

The motion prevailed and the amendment was adopted.

The Speaker called Wynia to the Chair.

S. F. No. 1336, as amended, was read for the third time.

Gustafson moved that S. F. No. 1336, as amended, be referred to the Committee on Judiciary.

A roll call was requested and properly seconded.

The question was taken on the Gustafson motion and the roll was called. There were 22 yeas and 98 nays as follows:

Those who voted in the affirmative were:

Beard	Haukoos	Ludeman	Quinn	Solberg
Brinkman	Jacobs	Norton	Redalen	Uphus
Dempsey	Jennings	O'Connor	St. Onge	Wenzel
Elioff	Jensen	Osthoff	Sherman	Wigley
Gustafson	Johnson			

Those who voted in the negative were:

Anderson, B.	Erickson	Larsen	Peterson	Sparby
Anderson, G.	Evans	Levi	Piepho	Staten
Battaglia	Findlay	Long	Piper	Sviggum
Begich	Fjoslien	Mann	Price	Swanson
Bennett	Forsythe	Marsh	Quist	Thiede
Bergstrom	Frerichs	McDonald	Reif	Tomlinson
Bishop	Graba	McEachern	Riveness	Tunheim
Blatz	Greenfield	McKasy	Rodosovich	Valan
Boo	Gruenes	Metzen	Rodriguez, C.	Valento
Brandl	Gutknecht	Minne	Rodriguez, F.	Vanasek
Burger	Heap	Munger	Rose	Vellenga
Carlson, L.	Himle	Murphy	Schafer	Waltman
Clark, J.	Hoffman	Nelson, D.	Scheid	Welch
Clark, K.	Hokr	Nelson, K.	Schoenfeld	Welker
Cohen	Kalis	Neuenschwander	Schreiber	Welle
Coleman	Kelly	Olsen	Seaberg	Wynia
DenOuden	Knickerbocker	Omann	Segal	Zaffke
Dimler	Knuth	Onnen	Shaver	Speaker Sieben
Eken	Krueger	Otis	Shea	
Ellingson	Kvam	Pauly	Skoglund	

The motion did not prevail.

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

S. F. No. 1336, A bill for an act relating to crime; providing for criminal penalties and a one year driver's license revocation upon refusal by a driver suspected of driving under the influence of alcohol or a controlled substance to take a test; authorizing testing of a suspect who is unconscious or in a condition rendering the suspect incapable of refusal; restricting issuance of limited licenses for work purposes; clarifying provisions of the hit and run law; clarifying penalties imposed on certain persons convicted of driving while under the influence of alcohol or a controlled substance; clarifying provisions of the driving after revocation, suspension, or cancellation law; prescribing penalties for causing death or injury of another while operating a vehicle in a certain manner; providing for admission into evidence of certain convictions for driving offenses for impeachment purposes; authorizing issuance of limited licenses in certain circumstances; amending Minnesota Statutes 1982, sections 169.09, subdivision 4; 169.123, subdivisions 4, 5a, and 9, and by adding a subdivision; 171.24; and 171.30, subdivision 1; and Minnesota Statutes 1983 Supplement, sections 169.09, subdivisions 1, 14, and 15; 169.121, subdivision 3; 169.123, subdivisions 2 and 6; and 609.21, subdivisions 1 and 2; proposing new law coded in Minnesota Statutes, chapters 171 and 634; repealing Minnesota Statutes 1982, section 169.123, subdivision 9.

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 102 yeas and 17 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Evans	Kvam	Piepho	Sparby
Anderson, G.	Findlay	Larsen	Piper	Staten
Battaglia	Fjoslien	Levi	Price	Sviggum
Begich	Forsythe	Long	Quist	Swanson
Bennett	Graba	Mann	Redalen	Thiede
Bergstrom	Greenfield	Marsh	Reif	Tomlinson
Bishop	Gruenes	McEachern	Riveness	Tunheim
Blatz	Gutknecht	McKasy	Rodosovich	Uphus
Brandl	Haukoos	Metzen	Rodriguez, C.	Valan
Burger	Heap	Minne	Rodriguez, F.	Valento
Carlson, D.	Himle	Munger	Rose	Vanasek
Carlson, L.	Hoffman	Murphy	Sarna	Vellenga
Clark, J.	Hokr	Nelson, D.	Schafer	Waltman
Clark, K.	Johnson	Nelson, K.	Scheid	Welch
Cohen	Kahn	Neuenschwander	Schreiber	Welker
Coleman	Kalis	Olsen	Seaberg	Wynia
DenOuden	Kelly	Omann	Segal	Zaffke
Dimler	Knickerbocker	Onnen	Shaver	Speaker Sieben
Elioff	Knuth	Otis	Shea	
Ellingson	Kostohryz	Pauly	Skoglund	
Erickson	Krueger	Peterson	Solberg	

Those who voted in the negative were:

Beard	Dempsey	Frerichs	Jacobs	Ludeman
Boo	Eken	Gustafson	Jennings	Norton

O'Connor
OsthoffQuinn
Sherman

Welle

Wenzel

Wigley

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

MESSAGES FROM THE SENATE, Continued

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 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; and Minnesota Statutes 1983 Supplement, sections 260.315; 609.342; and 609.343; proposing new law coded in Minnesota Statutes, chapter 260.

The Senate has appointed as such committee Messrs. Petty, Merriam and Sieloff.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

H. F. No. 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 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 that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 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 Senate has appointed as such committee Messrs. Merriam; Johnson, D. E., and Stumpf.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 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 Senate has appointed as such committee Messrs. Kroening, Chmielewski, Pehler, Nelson and Frank.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

S. F. No. 1884.

PATRICK E. FLAHAVEN, Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 1884, A bill for an act relating to occupations and professions; establishing a task force to study the problem of sexual exploitation by counselors and therapists.

The bill was read for the first time.

Greenfield moved that S. F. No. 1884 and H. F. No. 2068, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

SPECIAL ORDERS, Continued

S. F. No. 1762 was reported to the House.

Clark, K., moved to amend S. F. No. 1762, as follows:

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 review 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 au-

thorize 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, subdivision 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 Minnesota Statutes, chapter 363."

The motion prevailed and the amendment was adopted.

Clark, K., moved to amend S. F. No. 1762, as amended, as follows:

Page 6, line 11, delete everything after the period

Page 6, delete lines 12 to 16

Page 7, line 24, after "*amount*" insert "*up to*"

Page 7, line 25, delete the semi-colon and strike "*and,*" and insert a period

Page 7, line 25, before "*may*" insert "*the examiner*"

Page 7, line 26, after the second comma insert "*reasonable attorney's fees in addition to*"

The motion prevailed and the amendment was adopted.

The Speaker resumed the Chair.

Cohen moved to amend S. F. No. 1762, as amended, as follows:

Page 7, line 21, delete "*shall*" and insert "*may*"

Page 7, line 24, after "*actual*" insert "*out of pocket*"

The motion prevailed and the amendment was adopted.

Ludeman moved to amend S. F. No. 1762, as amended, as follows:

Page 7, line 24, delete "*three times*"

CALL OF THE HOUSE

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

Anderson, B.	DenOuden	Heap	Mann	Onnen
Anderson, G.	Dimler	Hoffman	Marsh	Osthoff
Beard	Eken	Hokr	McDonald	Otis
Begich	Elioff	Jacobs	McEachern	Pauly
Bennett	Ellingson	Jennings	McKasy	Peterson
Bergstrom	Erickson	Johnson	Metzen	Piepho
Bishop	Evans	Kelly	Minne	Piper
Blatz	Findlay	Knickerbocker	Munger	Price
Boo	Fjoslien	Knuth	Murphy	Reif
Brandl	Forsythe	Kostohryz	Nelson, K.	Riveness
Burger	Frerichs	Krueger	Neuenschwander	Rodosovich
Carlson, L.	Greenfield	Kvam	Norton	Rodriguez, C.
Clark, K.	Cruenes	Larsen	O'Connor	Rodriguez, F.
Cohen	Gustafson	Levi	Ogren	Rose
Coleman	Gutknecht	Long	Olsen	St. Onge
Dempsey	Haukoos	Ludeman	Omann	Sarna

Schafer	Shea	Swanson	Vanasek	Wigley
Scheid	Sherman	Thiede	Voss	Wynia
Schoenfeld	Skoglund	Tomlinson	Waltman	Zaffke
Schreiber	Solberg	Tunheim	Welch	Speaker Sieben
Seaberg	Sparby	Uphus	Welker	
Segal	Staten	Valan	Welle	
Shaver	Sviggum	Valento	Wenzel	

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 Ludeman amendment to S. F. No. 1762, as amended. The motion did not prevail and the amendment was not adopted.

S. F. No. 1762, 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, subdivision 3; 363.071, by adding a subdivision; 363.116; 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.

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 88 yeas and 26 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Ellingson	Levi	Peterson	Sherman
Beard	Evans	Long	Piper	Skoglund
Begich	Fjoslien	Mann	Price	Solberg
Bennett	Graba	Marsh	Quinn	Sparby
Bergstrom	Greenfield	McEachern	Reif	Staten
Bishop	Gruenes	McKasy	Riveness	Swanson
Blatz	Gustafson	Metzen	Rodosovich	Tomlinson
Boo	Halberg	Minne	Rodriguez, C.	Tunheim
Brandl	Heap	Munger	Rodriguez, F.	Vanasek
Burger	Himle	Murphy	St. Onge	Voss
Carlson, L.	Hoffman	Nelson, D.	Sarna	Welch
Clark, J.	Jacobs	Neuenschwander	Scheid	Welle
Clark, K.	Kelly	Norton	Schoenfeld	Wenzel
Cohen	Knuth	O'Connor	Schreiber	Wynia
Coleman	Kostohryz	Ogren	Seaberg	Zaffke
Dempsey	Krueger	Omann	Segal	Speaker Sieben
Eken	Kvam	Onnen	Shaver	
Elioff	Larsen	Otis	Shea	

Those who voted in the negative were:

DenOuden	Haukoos	Ludeman	Redalen	Uphus
Dimler	Jennings	McDonald	Rose	Valento
Erickson	Johnson	Osthoff	Schafer	Waltman
Findlay	Kalis	Pauly	Sviggum	Welker
Frerichs	Knickerbocker	Piepho	Thiede	Wigley
Gutknecht				

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.

S. F. No. 1349 was reported to the House.

Wynia and Vellenga moved to amend S. F. No. 1349, the unofficial engrossment, as follows:

Page 4, delete lines 27 to 34

Renumber the remaining sections

Page 5, line 18, delete everything after "*sections*"

Page 5, line 19, delete "*; and Special Laws*"

Page 5, line 20, delete everything through "*6*"

Page 5, line 31, delete everything after the period

Page 5, delete line 32

Page 5, line 33, delete everything through the period

Page 5, line 34, delete "*11*" and insert "*10*"

Further, amend the title as follows:

Page 1, line 18, delete everything after the semicolon

Page 1, delete line 19

Page 1, line 20, delete everything through the semicolon

Page 1, line 23, delete "*340.57;*"

Page 1, line 24, delete "*340.58; 340.59;*"

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called: There were 47 yeas and 64 nays as follows:

Those who voted in the affirmative were:

Blatz	Erickson	Marsh	Piper	Thiede
Brandl	Evans	McDonald	Price	Uphus
Clark, J.	Fjoslien	Munger	Rodriguez, C.	Vellenga
Clark, K.	Forsythe	Murphy	Rose	Welker
Cohen	Greenfield	Nelson, D.	Schafer	Wynia
Coleman	Gutknecht	Nelson, K.	Seaberg	Zaffke
Dempsey	Hokr	Olsen	Segal	Speaker Sieben
DenOuden	Kahn	Omann	Simoneau	
Dimler	Levi	Onnen	Skoglund	
Ellingson	Long	Piepho	Sparby	

Those who voted in the negative were:

Anderson, B.	Gruenes	Krueger	Peterson	Sherman
Anderson, G.	Gustafson	Kvam	Quinn	Solberg
Battaglia	Halberg	Larsen	Redalen	Sviggum
Beard	Haukoos	Ludeman	Reif	Swanson
Begich	Heap	Mann	Riveness	Tomlinson
Bennett	Himle	McEachern	Rodosovich	Tunheim
Bergstrom	Jacobs	Metzen	Rodriguez, F.	Valan
Boo	Jennings	Minne	St. Onge	Valento
Burger	Johnson	Neuenschwander	Sarna	Voss
Carlson, L.	Kalis	Norton	Scheid	Waltman
Eken	Kelly	O'Connor	Schoenfeld	Wenzel
Elioff	Knickerbocker	Ogren	Schreiber	Wigley
Graba	Kostohryz	Osthoff	Shaver	

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

Osthoff moved to amend S. F. No. 1349, the unofficial engrossment, as follows:

Page 5, after line 16, insert a section to read:

"Sec. 12 [ST. PAUL LICENSES.]

City of Saint Paul; On-Sale Intoxicating Liquor Licenses in the Bandana Square area of the Energy Park Development District. Notwithstanding any contrary provision of law, charter or ordinance, the governing body of the City of Saint Paul may issue upon passage of this Act, four "On-Sale" Intoxicating Liquor Licenses in excess of the number authorized by Minnesota Statutes, section 340.11, subdivision 5a, for use in the Bandana Square area of the Energy Park Development District. For the purposes of this Act, the Energy Park Development District shall include all that portion of the city of Saint Paul described as follows:

All that part of the unplatted lands in Section 27, Township 29, Range 23 and Section 28 Township 29, Range 23; that part of Lot 1 Block 1 and Lot 1 Block 2 Kasota Addition; that part of

Blocks 23, 24, 25, and 31, St. Anthony Park; vacated Bartlett Court and vacated Beard Court; all lying within the following described line:

Commencing at the intersection of the North line of Kasota Avenue with the Westerly line, extended, of vacated Bartlett Court, thence Southerly along said Westerly line and its extension to the intersection of the North Right-of-Way line of the joint Great Northern, and the Saint Paul, Minneapolis and Manitoba Railway tracks; thence Southeasterly along said Northerly Right-of-Way line to its intersection with the East line of Lexington Parkway; thence Northerly along said Easterly line to its intersection with the Southerly Right-of-Way line of the St. Paul and Northern Pacific Railway Tracks; thence Westerly along said Southerly Right-of-Way line to its intersection with the Easterly line of Highway 51-125 (Snelling Avenue); thence Southerly and Southeasterly along said Right-of-Way and interchange to its intersection with the Westerly line of Flynn Street; thence Southerly along said Westerly line to its intersection with the Northerly line of Rosen Road; thence Northwesterly along said Northerly line to its intersection with the Northerly line of Kasota Avenue; thence continuing Northwesterly along the Northerly line of Kasota Avenue to its intersection with the Westerly lot line of Lot 1, Block 2, Kasota Addition; thence Northerly along said Westerly lot line to its intersection with the North line of said Addition, also being the Southerly Right-of-Way line of the St. Paul and Northern Pacific Railway tracks; thence Northwesterly along said southerly Right-of-Way line of Gibbs Avenue; thence southwestery along said Westerly line to its intersection with the Northerly line of Kasota Avenue; thence Northwesterly along said Northerly line to the point of beginning and there terminating.

Licenses issued and renewed pursuant to this act shall be governed by all applicable provisions of Minnesota Statutes, chapter 340, with the exception of Section 340.11, subd. 5a; section 340.13, subd. 9; and as may be provided herein to the contrary.

Effective date. This section is effective the day after compliance by the governing body of the City of St. Paul with Minnesota Statutes, Section 645.021, Subd. 3."

Amend the title as follows:

Page 1, line 20, after the semicolon insert: "authorizing the city of Saint Paul to issue on-sale intoxicating liquor licenses in excess of the statutory limit in the Bandana Square area of the Energy Park Development District;"

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 14 yeas and 90 nays as follows:

Those who voted in the affirmative were:

Beard	Coleman	Larsen	Rodriguez, F.	Tomlinson
Clark, J.	Kelly	Neuenschwander	Scheid	Vellenga
Cohen	Kostohryz	Osthoff	Schreiber	

Those who voted in the negative were:

Anderson, B.	Forsythe	Mann	Peterson	Sviggum
Battaglia	Graba	Marsh	Piepho	Swanson
Begich	Greenfield	McDonald	Piper	Thiede
Bennett	Gruenes	McEachern	Price	Tunheim
Blatz	Gustafson	McKasy	Redalen	Uphus
Brandl	Gutknecht	Metzen	Riveness	Valan
Burger	Halberg	Minne	Rodosovich	Valento
Carlson, L.	Haukoos	Munger	Rose	Vanasek
Dempsey	Heap	Murphy	St. Onge	Voss
DenOuden	Hoffman	Nelson, D.	Sarna	Waltman
Dimler	Hokr	Nelson, K.	Schafer	Welch
Eken	Jacobs	Norton	Seaberg	Welker
Elioff	Jennings	O'Connor	Segal	Welle
Ellingson	Kalis	Ogren	Shaver	Wenzel
Erickson	Knuth	Olsen	Sherman	Wigley
Evans	Krueger	Omann	Skoglund	Wynia
Findlay	Kvam	Onnen	Solberg	Zaffke
Fjoslien	Ludeman	Otis	Sparby	Speaker Sieben

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

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 third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 72 yeas and 35 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Ellingson	Levi	Quinn	Swanson
Anderson, G.	Greenfield	McKasy	Redalen	Tomlinson
Battaglia	Gruenes	Metzen	Reif	Tunheim
Beard	Gustafson	Minne	Rodosovich	Valan
Begich	Gutknecht	Murphy	Rodriguez, F.	Valento
Bennett	Heap	Nelson, D.	Rose	Vanasek
Bergstrom	Himle	Neuenschwander	St. Onge	Voss
Blatz	Hoffman	Norton	Sarna	Waltman
Boo	Jacobs	O'Connor	Scheid	Welle
Burger	Johnson	Ogren	Schoenfeld	Wenzel
Carlson, L.	Kalis	Osthoff	Schreiber	Zaffke
Clark, J.	Kelly	Otis	Seaberg	Speaker Sieben
Coleman	Knuth	Peterson	Shaver	
Eken	Kostohryz	Piper	Solberg	
Elioff	Larsen	Price	Sparby	

Those who voted in the negative were:

Brandl	Fjoslien	Krueger	Omann	Skoglund
Cohen	Forsythe	Kvam	Onnen	Thiede
Dempsey	Frerichs	Ludeman	Piepho	Uphus
DenOuden	Graba	Marsh	Riveness	Vellenga
Dimler	Halberg	McDonald	Rodriguez, C.	Welch
Erickson	Haukoos	Munger	Schafer	Welker
Evans	Jennings	Olsen	Sherman	Wynia

The bill was passed and its title agreed to.

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

GENERAL ORDERS

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

ADJOURNMENT

Eken moved that when the House adjourns today it adjourn until 11:00 a.m., Thursday, April 19, 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., Thursday, April 19, 1984.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

STATE OF MINNESOTA

SEVENTY-THIRD SESSION - 1984

EIGHTY-SECOND DAY

SAINT PAUL, MINNESOTA, THURSDAY, APRIL 19, 1984

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

Prayer was offered by Pastor Marvin Sandness, Christ Lutheran Church, Capitol Hill, St. Paul, Minnesota.

The roll was called and the following members were present:

Anderson, B.	Evans	Kvam	Piepho	Sparby
Anderson, G.	Findlay	Larsen	Piper	Stadum
Anderson, R.	Fjoslien	Levi	Price	Staten
Battaglia	Forsythe	Long	Quinn	Sviggum
Beard	Frerichs	Ludeman	Quist	Swanson
Begich	Graba	Mann	Redalen	Thiede
Bennett	Greenfield	Marsh	Reif	Tomlinson
Bergstrom	Gruenes	McDonald	Rice	Tunheim
Bishop	Gustafson	McEachern	Riveness	Uphus
Blatz	Gutknecht	McKasy	Rodosovich	Valan
Boo	Halberg	Metzen	Rodriguez, C.	Valento
Brandl	Haukoos	Minne	Rodriguez, F.	Vanasek
Brinkman	Heap	Munger	Rose	Vellenga
Burger	Heinitz	Murphy	St. Onge	Voss
Carlson, L.	Himle	Nelson, D.	Sarna	Waltman
Clark, J.	Hoffman	Nelson, K.	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	Omann	Shaver	Zaffke
Dimler	Kalis	Onnen	Shea	Speaker Sieben
Eken	Kelly	Osthoff	Sherman	
Elioff	Knuth	Otis	Simoneau	
Ellingson	Kostohryz	Pauly	Skoglund	
Erickson	Krueger	Peterson	Solberg	

A quorum was present.

Hoberg was excused.

Carlson, D., was excused until 12:10 p.m. Knickerbocker was excused until 2:30 p.m.

The Chief Clerk preceeded to read the Journal of the preceding day. Heinitz 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. 1559, 2289, 2312, 1291, 1800, 1977, 2099 and 1577 and S. F. Nos. 1858, 2167, 1683, 2164, 2165, 1561, 1842, 1903, 2046, 1298, 1879, 1880, 1736, 2138, 1884, 1441, 1243, 1940, 1813, 1614, 1407, 1776, 2072, 2178, 1943 and 1980 have been placed in the members' files.

S. F. No. 1903 and H. F. No. 2070, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Jacobs moved that S. F. No. 1903 be substituted for H. F. No. 2070 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2164 and H. F. No. 2276, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Minne moved that S. F. No. 2164 be substituted for H. F. No. 2276 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1683 and H. F. No. 2173, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

McEachern moved that S. F. No. 1683 be substituted for H. F. No. 2173 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1813 and H. F. No. 2113, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Peterson moved that S. F. No. 1813 be substituted for H. F. No. 2113 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1243 and H. F. No. 1303, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Greenfield moved that S. F. No. 1243 be substituted for H. F. No. 1303 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2165 and H. F. No. 2218, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Shea moved that the rules be so far suspended that S. F. No. 2165 be substituted for H. F. No. 2218 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1884 and H. F. No. 2068, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Greenfield moved that the rules be so far suspended that S. F. No. 1884 be substituted for H. F. No. 2068 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1776 and H. F. No. 2036, 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. 1776 be substituted for H. F. No. 2036 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1407 and H. F. No. 1865, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Battaglia moved that the rules be so far suspend that S. F. No. 1407 be substituted for H. F. No. 1865 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1298 and H. F. No. 1302, 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. 1298 be substituted for H. F. No. 1302 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1879 and H. F. No. 1910, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Nelson, K., moved that the rules be so far suspended that S. F. No. 1879 be substituted for H. F. No. 1910 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1880 and H. F. No. 2012, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Vanasek moved that the rules be so far suspended that S. F. No. 1880 be substituted for H. F. No. 2012 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2046 and H. F. No. 2161, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Vanasek moved that the rules be so far suspended that S. F. No. 2046 be substituted for H. F. No. 2161 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2138 and H. F. No. 2055, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Clark, J., moved that the rules be so far suspended that S. F. No. 2138 be substituted for H. F. No. 2055 and that the House File be indefinitely postponed. The motion prevailed.

SECOND READING OF SENATE BILLS

S. F. Nos. 1903, 2164, 1683, 1813, 1243, 2165, 1884, 1776, 1407, 1298, 1879, 1880, 2046 and 2138 were read for the second time.

INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Metzen introduced:

H. F. No. 2339, 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.

Kvam; Brinkman; Begich; Carlson, D., and Jennings introduced:

H. F. No. 2340, A bill for an act proposing an amendment to the Minnesota Constitution, article IV, section 12; limiting the matters considered at an even-year session to tax, appropriation, and federal law conformance matters.

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

HOUSE ADVISORIES

The following House Advisories were introduced:

Rodosovich; Coleman; Blatz; Clark, J., and Knuth introduced:

H. A. No. 65, A proposal to study alternatives to licensure of family daycare homes.

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

Begich introduced:

H. A. No. 66, A proposal to study economic development.

The advisory was referred to the Committee on Commerce and Economic Development.

Begich introduced:

H. A. No. 67, A proposal to study enforcement of the minimum wage laws.

The advisory was referred to the Committee on Labor-Management Relations.

Clark, K.; Vellenga and Staten introduced:

H. A. No. 68, A proposal to study the sources and subsequent health effects of high concentrations of lead in children.

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

Kvam, Brandl, Wynia, Clawson and Carlson, D., introduced:

H. A. No. 69, A proposal for the study of the appropriate work for the legislature in even-numbered years.

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

Fjoslien and Evans introduced:

H. A. No. 70, A proposal to select and erect a suitable capitol mall memorial to Native Americans.

The advisory was referred to the Committee on Governmental Operations.

Sviggum, Rodosovich, Dimler and Carlson, D., introduced:

H. A. No. 71, A proposal to study the adequacy of protection of crops from deer and bear damage.

The advisory was referred to the Committee on Agriculture.

Vellenga, Kalis, Valan and Carlson, D., introduced:

H. A. No. 72, A proposal to study University of Minnesota programs to assist farmers with their financial problems.

The advisory was referred to the Committee on Agriculture.

Frerichs and Jensen introduced:

H. A. No. 73, A proposal to reevaluate the current distribution formula for the motor vehicle excise tax.

The advisory was referred to the Committee on Transportation.

Munger was excused between the hours of 11:15 a.m. and 12:30 p.m.

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. 1402, A bill for an act relating to claims against the state; providing for payment of various claims; appropriating money.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

H. F. No. 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.

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.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

H. F. No. 1216, A bill for an act relating to taxation; exempting petroleum products used in certain improvements to agri-

cultural land for purposes of the sales tax; prohibiting certain retroactive imposition of tax, penalty, and interest; amending Minnesota Statutes 1982, section 297A.25, subdivision 1.

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.

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.

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.

PATRICK E. FLAHAVER, Secretary of the Senate

Mr. Speaker:

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

H. F. No. 1107, A bill for an act relating to the Minnesota veterans home; clarifying the treatment of assets for purposes of calculating maintenance charges; amending Minnesota Statutes 1982, section 198.03.

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

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.

H. F. No. 1950, 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.

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.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

H. F. No. 1264, A bill for an act relating to commerce; regulating pipefitters and pipefitting; 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.

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.

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.

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. 1753, A bill for an act relating to the city of St. Cloud; giving the city the powers of a port authority.

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. 18, A Senate concurrent resolution requiring the establishment of an affirmative action plan for the legislature; requiring employment of an affirmative action officer.

PATRICK E. FLAHAVEN, Secretary of the Senate

SENATE CONCURRENT RESOLUTION NO. 18

A Senate concurrent resolution requiring the establishment of an affirmative action plan for the legislature; requiring employment of an affirmative action officer.

Whereas, the Minnesota Legislature has the responsibility to guarantee every individual equal employment opportunity in the legislative branch without reference to race, color, religion, sex, handicap, or national origin; and

Whereas, it is the intention of the Minnesota Legislature to remove any vestiges of discrimination that may impede full compliance with equal employment opportunity in the legislative branch of state government; *Now, Therefore*,

Be it resolved by the Senate of the State of Minnesota, the House of Representatives concurring, that:

(a) The Legislative Coordinating Commission shall employ or contract for the services of a legislative affirmative action officer. At the direction of the Legislative Coordinating Commission, the officer shall prepare an affirmative action program for the legislative branch that will assist in recruiting qualified members of minority groups for legislative branch staff positions, provide educational programs for legislators and legislative branch staff on the need for and proper response to affirmative action, and further equal employment opportunity in the legislative branch.

(b) The Legislative Coordinating Commission shall recommend the plan to the Senate and House of Representatives. The plan shall consist of:

(1) procedures, standards, and assumptions used by the Legislative Coordinating Commission in preparing the plan;

(2) objectives, goals, and policies;

(3) timetables for accomplishing the goals;

(4) a requirement for the periodic submission of affirmative action progress reports to the Legislative Coordinating Commission; and

(5) other relevant information.

(c) The Legislative Coordinating Commission shall periodically revise the plan, as necessary.

(d) All legislators and legislative branch staff shall facilitate the work of the affirmative action officer. Information shall be provided to the officer on each vacant position or new position established, and the affirmative officer may provide each hiring officer with a list of qualified applicants for these positions. Hiring officers shall advertise vacant or new positions and solicit applications in manners calculated to reach members of the minority community.

Staten moved to amend Senate Concurrent Resolution No. 18, as follows:

Page 1, line 21, delete "minority" and insert "protected"

The motion prevailed and the amendment was adopted.

Staten moved that Senate Concurrent Resolution No. 18, as amended, be now adopted.

The question was taken on Senate Concurrent Resolution No. 18, as amended, and the roll was called. There were 114 yeas and 2 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Eken	Hokr	Munger	Reif
Anderson, G.	Elioff	Jacobs	Murphy	Riveness
Battaglia	Ellingson	Jennings	Nelson, D.	Rodosovich
Beard	Erickson	Jensen	Nelson, K.	Rodriguez, C.
Begich	Evans	Johnson	Neuenschwander	Rodriguez, F.
Bennett	Findlay	Kalis	Norton	Rose
Bergstrom	Fjoslien	Kelly	O'Connor	St. Onge
Bishop	Forsythe	Kostohryz	Ogren	Sarna
Blatz	Frerichs	Krueger	Olsen	Scheid
Boo	Graba	Kvam	Omann	Schoenfeld
Brandl	Greenfield	Larsen	Onnen	Seaberg
Brinkman	Graenes	Levi	Osthoff	Segal
Burger	Gustafson	Ludeman	Otis	Shaver
Carlson, L.	Gutknecht	Mann	Peterson	Shea
Clark, J.	Halberg	Marsh	Piepho	Sherman
Clawson	Haukoos	McDonald	Piper	Simoneau
Coleman	Heap	McEachern	Price	Skoglund
Dempsey	Heinitz	Metzen	Quinn	Solberg
Dimler	Hoffman	Minne	Quist	Sparby

Staten	Tomlinson	Valento	Waltman	Wigley
Swiggum	Tunheim	Vanasek	Welch	Zaffke
Swanson	Uphus	Vellenga	Welle	Speaker Sieben
Thiede	Valan	Voss	Wenzel	

Those who voted in the negative were:

Schafer Welker

The motion prevailed and Senate Concurrent Resolution No. 18, as amended, was adopted.

Mr. Speaker:

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

H. F. No. 1760, A bill for an act relating to natural resources; authorizing a private sale of certain state fisheries land.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Graba moved that the House concur in the Senate amendments to H. F. No. 1760 and that the bill be repassed as amended by the Senate. The motion prevailed.

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, 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.	Clark, J.	Fjoslien	Hoffman	Long
Anderson, C.	Clark, K.	Forsythe	Hokr	Ludeman
Battaglia	Clawson	Frerichs	Jacobs	Mann
Beard	Coleman	Graba	Jennings	Marsh
Begich	Dempsey	Greenfield	Jensen	McDonald
Bennett	DenOuden	Gruenes	Johnson	McEachern
Bergstrom	Dimler	Gustafson	Kalis	McKasy
Bishop	Eken	Gutknecht	Kelly	Metzen
Blatz	Elioff	Halberg	Kostohryz	Minne
Boo	Ellingson	Haukoos	Krueger	Munger
Brinkman	Erickson	Heap	Kvam	Murphy
Burger	Evans	Heinitz	Larsen	Nelson, D.
Carlson, L.	Findlay	Himle	Levi	Nelson, K.

Neuenschwander	Piper	Schafer	Staten	Welch
Norton	Price	Scheid	Sviggum	Welker
O'Connor	Quinn	Schoenfeld	Swanson	Welle
Ogren	Quist	Seaberg	Thiede	Wenzel
Olsen	Reif	Segal	Tomlinson	Wigley
Omamm	Riveness	Shaver	Tunheim	Wynia
Onnen	Rodosovich	Shea	Uphus	Zaffke
Osthoff	Rodriguez, C.	Sherman	Valento	Speaker Sieben
Otis	Rodriguez, F.	Simoneau	Vanasek	
Pauly	Rose	Skoglund	Vellenga	
Peterson	St. Onge	Solberg	Voss	
Piepho	Sarna	Sparby	Waltman	

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. 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.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Bishop moved that the House concur in the Senate amendments to H. F. No. 1850 and that the bill be repassed as amended by the Senate. The motion prevailed.

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 125.12, subdivision 4; 297A.25, subdivision 4; and 609.341, subdivision 11; repealing Minnesota Statutes 1982, section 238.07.

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

The question was taken on the repassage of the bill and the roll was called. There were 121 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Beard	Bergstrom	Boo	Burger
Anderson, G.	Begich	Bishop	Brandl	Carlson, L.
Battaglia	Bennett	Blatz	Brinkman	Clark, J.

Clark, K.	Heap	Minne	Riveness	Thiede
Clawson	Heinitz	Munger	Rodosovich	Tomlinson
Coleman	Himle	Murphy	Rodriguez, F.	Tunheim
Dempsey	Hoffman	Nelson, D.	Rose	Uphus
DenOuden	Hokr	Nelson, K.	St. Onge	Valan
Dimler	Jacobs	Neuenschwander	Sarna	Valento
Eken	Jennings	Norton	Schafer	Vanasek
Elioff	Jensen	O'Connor	Scheid	Vellenga
Ellingson	Johnson	Ogren	Schoenfeld	Voss
Erickson	Kalis	Olsen	Seaberg	Waltman
Evans	Kelly	Omman	Segal	Welch
Findlay	Kostohryz	Onnen	Shaver	Welker
Fjoslien	Kvam	Osthoff	Shea	Welle
Forsythe	Larsen	Otis	Sherman	Wenzel
Frerichs	Levi	Pauly	Simoneau	Wigley
Graba	Ludeman	Peterson	Skoglund	Wynia
Greenfield	Mann	Piepho	Solberg	Zaffke
Gruenes	Marsh	Piper	Sparby	Speaker Sieben
Gustafson	McDonald	Price	Stadum	
Gutknecht	McEachern	Quinn	Staten	
Halberg	Metzen	Quist	Sviggum	
Haukoos		Reif	Swanson	

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

Mr. Speaker:

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

H. F. No. 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; requiring law enforcement agencies to follow certain procedures when interviewing minors on school property; 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.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Elioff moved that the House concur in the Senate amendments to H. F. No. 1806 and that the bill be repassed as amended by the Senate. The motion prevailed.

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.

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

The question was taken on the repassage of the bill and the roll was called. There were 123 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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. 1911, A bill for an act relating to state lands; authorizing the sale of a certain lakeshore property in Kandiyohi County.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Welle moved that the House concur in the Senate amendments to H. F. No. 1911 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1911, A bill for an act relating to state lands; authorizing the sale of a certain lakeshore property in Kandiyohi County, and certain forest land in Fillmore County.

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

The question was taken on the repassage of the bill and the roll was called. There were 116 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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. 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.

PATRICK E. FLAHAVER, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Mann moved that the House concur in the Senate amendments to H. F. No. 1975 and that the bill be repassed as amended by the Senate. The motion prevailed.

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; allowing town road funds to be used for gravel maintenance; discontinuing a trunk highway route; amending Minnesota Statutes 1982, section 161.16, subdivision 4; and Minnesota Statutes 1983 Supplement, section 162.081, subdivision 4.

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

The question was taken on the repassage of the bill and the roll was called. There were 122 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

Mr. Speaker:

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

H. F. No. 1915, A bill for an act relating to commerce; providing for the licensing of transient merchants by local units of governments; amending Minnesota Statutes 1982, sections 329.15; and 329.16.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Rodosovich moved that the House concur in the Senate amendments to H. F. No. 1915 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1915, A bill for an act relating to 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, 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	Kelly	Osthoff	Skoglund
Anderson, G.	Erickson	Kostohryz	Otis	Solberg
Battaglia	Evans	Krueger	Pauly	Sparby
Beard	Findlay	Kvam	Peterson	Stadum
Begich	Fjoslien	Larsen	Piepho	Staten
Bennett	Forsythe	Levi	Piper	Sviggum
Bergstrom	Frerichs	Long	Price	Swanson
Bishop	Graba	Ludeman	Quinn	Thiede
Blatz	Greenfield	Marsh	Quist	Tomlinson
Boo	Gruenes	McDonald	Reif	Tunheim
Brandl	Gustafson	McEachern	Rodosovich	Uphus
Brinkman	Gutknecht	McKasy	Rodriguez, C.	Valan
Burger	Halberg	Metzen	Rodriguez, F.	Valento
Carlson, L.	Haukoos	Minne	Rose	Vanasek
Clark, J.	Heap	Murphy	St. Onge	Vellenga
Clark, K.	Heinritz	Nelson, D.	Sarna	Waltman
Clawson	Himle	Nelson, K.	Schafer	Welch
Cohen	Hoffman	Neuenschwander	Scheid	Welker
Coleman	Hokr	Norton	Seaberg	Welle
Dempsey	Jacobs	O'Connor	Segal	Wenzel
DenOuden	Jennings	Ogren	Shaver	Wigley
Dimler	Jensen	Olsen	Shea	Zaffke
Eken	Johnson	Omann	Sherman	Speaker Sieben
Elioff	Kalis	Onnen	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. 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.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Jensen moved that the House concur in the Senate amendments to H. F. No. 1801 and that the bill be repassed as amended by the Senate. The motion prevailed.

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, as amended by the Senate, and placed upon its repassage.

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

Those who voted in the affirmative were:

Anderson, B.	Beard	Bergstrom	Boo	Carlson, L.
Anderson, G.	Begich	Bishop	Brandl	Clark, J.
Battaglia	Bennett	Blatz	Burger	Clark, K.

Clawson	Heap	McKasy	Quist	Staten
Cohen	Heinitz	Metzen	Reif	Sviggum
Coleman	Himle	Minne	Rodosovich	Swanson
Dempsey	Hoffman	Munger	Rodriguez, C.	Thiede
DenOuden	Hokr	Murphy	Rodriguez, F.	Tomlinson
Dimler	Jacobs	Nelson, D.	Rose	Tunheim
Eken	Jennings	Nelson, K.	St. Onge	Uphus
Elioff	Jensen	Neuenschwander	Sarna	Valan
Ellingson	Johnson	Norton	Schafer	Valento
Erickson	Kalis	O'Connor	Scheid	Vanasek
Evans	Kelly	Ogren	Schoenfeld	Vellenga
Findlay	Kostohryz	Olsen	Schreiber	Voss
Fjoslien	Krueger	Omann	Seaberg	Waltman
Forsythe	Kvam	Onnen	Segal	Welch
Frerichs	Larsen	Osthoff	Shaver	Welker
Graba	Levi	Otis	Shea	Welle
Greenfield	Long	Pauly	Sherman	Wenzel
Gruenes	Ludeman	Peterson	Simoneau	Wigley
Gustafson	Mann	Piepho	Skoglund	Wynia
Cutknecht	Marsh	Piper	Solberg	Zaffke
Halberg	McDonald	Price	Sparby	Speaker Sieben
Haukoos	McEachern	Quinn	Stadum	

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

Mr. Speaker :

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

H. F. No. 322, A bill for an act relating to local government; prohibiting cities and counties from establishing residency requirements as a condition of employment; amending Minnesota Statutes 1982, section 415.16.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Piepho moved that the House concur in the Senate amendments to H. F. No. 322 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 322, A bill for an act relating to local government; prohibiting cities and counties from establishing residency requirements as a condition of employment; providing that the city of Hermantown may allow deferral of special assessment payments where payment would cause hardship; amending Minnesota Statutes 1982, section 415.16.

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

The question was taken on the repassage of the bill and the roll was called. There were 105 yeas and 13 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Ellingson	Kostohryz	Peterson	Simoneau
Anderson, C.	Erickson	Krueger	Piepho	Skoglund
Battaglia	Findlay	Kvam	Piper	Solberg
Beard	Forsythe	Larsen	Price	Sparby
Begich	Greenfield	Levi	Quist	Stadum
Bennett	Gruenes	Long	Redalen	Staten
Bergstrom	Gustafson	Mann	Reif	Swanson
Bishop	Gutknecht	McDonald	Rodosovich	Tomlinson
Blatz	Halberg	McEachern	Rodriguez, C.	Tunheim
Boo	Heap	Metzen	Rodriguez, F.	Uphus
Brandl	Heinitz	Munger	Rose	Valan
Brinkman	Himle	Murphy	St. Onge	Valento
Burger	Hoffman	Nelson, D.	Sarna	Vellenga
Carlson, L.	Hokr	Nelson, K.	Scheid	Voss
Clark, J.	Jacobs	Neuenschwander	Schoenfeld	Waltman
Clark, K.	Jensen	O'Connor	Schreiber	Welch
Clawson	Johnson	Ogren	Seaberg	Welle
Cohen	Kahn	Omman	Segal	Wenzel
Coleman	Kalis	Onnen	Shaver	Wigley
Dimler	Kelly	Otis	Shea	Wynia
Elioff	Knuth	Pauly	Sherman	Speaker Sieben

Those who voted in the negative were:

Dempsey	Fjoslien	Jennings	Sviggum	Welker
DenOuden	Frerichs	Ludeman	Thiede	Zaffke
Evans	Haukoos	Schafer		

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

Mr. Speaker:

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

H. F. No. 560, A bill for an act relating to Cook County; permitting the sale of certain land.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Battaglia moved that the House concur in the Senate amendments to H. F. No. 560 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 560, A bill for an act relating to Cook County; permitting the sale of certain land.

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

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

Those who voted in the affirmative were:

Anderson, B.	Evans	Krueger	Pauly	Solberg
Anderson, G.	Findlay	Kvam	Peterson	Sparby
Battaglia	Fjoslien	Larsen	Piepho	Stadum
Beard	Forsythe	Levi	Piper	Staten
Begich	Frerichs	Long	Price	Sviggun
Bennett	Graba	Ludeman	Quinn	Swanson
Bergstrom	Greenfield	Mann	Quist	Thiede
Bishop	Gruenes	Marsh	Redalen	Tomlinson
Blatz	Gustafson	McDonald	Reif	Tunheim
Boo	Gutknecht	McEachern	Rodosovich	Uphus
Brandl	Halberg	McKasy	Rodriguez, C.	Valan
Brinkman	Haukoos	Metzen	Rodriguez, F.	Valento
Burger	Heap	Minne	Rose	Vanasek
Carlson, L.	Heinitz	Munger	St. Onge	Vellenga
Clark, J.	Himle	Murphy	Sarna	Voss
Clark, K.	Hoffman	Nelson, D.	Schafer	Waltman
Clawson	Hokr	Nelson, K.	Scheid	Welch
Cohen	Jacobs	Neuenschwander	Schoenfeld	Welker
Coleman	Jennings	Norton	Schreiber	Welle
Dempsey	Jensen	O'Connor	Seaberg	Wenzel
DenOuden	Johnson	Ogren	Segal	Wigley
Dimler	Kahn	Olsen	Shaver	Wynia
Eken	Kalis	Omann	Shea	Zaffke
Elioff	Kelly	Onnen	Sherman	Speaker Sieben
Ellingson	Knuth	Osthoff	Simoneau	
Erickson	Kostohryz	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. 1846, A bill for an act relating to taxation; authorizing use of proceeds of the taconite occupation tax for economic development loans to businesses; amending Minnesota Statutes 1982, section 298.17.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Neuenschwander moved that the House concur in the Senate amendments to H. F. No. 1846 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1846, A bill for an act relating to taxation; authorizing use of proceeds of the taconite occupation tax for economic

development loans and grants to businesses; amending Minnesota Statutes 1982, section 298.17.

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

The question was taken on the repassage of the bill and the roll was called. There were 100 yeas and 18 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Dimler	Kalis	Ogren	Shea
Anderson, G.	Elioff	Kelly	Omann	Sherman
Battaglia	Ellingson	Knuth	Onnen	Simoneau
Beard	Erickson	Kostohryz	Osthoiff	Skoglund
Begich	Evans	Krueger	Otis	Solberg
Bennett	Findlay	Kvam	Pauly	Sparby
Bergstrom	Forsythe	Larsen	Peterson	Staten
Bishop	Graba	Levi	Piepho	Swanson
Blatz	Greenfield	Long	Price	Tomlinson
Boo	Gruenes	Mann	Rice	Tunheim
Brandl	Gutknecht	Marsh	Rodosovich	Uphus
Brinkman	Halberg	McEachern	Rodriguez, C.	Valan
Burger	Heap	Metzen	Rodriguez, F.	Vellenga
Carlson, L.	Heinitz	Minne	Rose	Voss
Clark, J.	Hoffman	Munger	St. Onge	Waltman
Clark, K.	Hokr	Murphy	Sarna	Welch
Clawson	Jacobs	Nelson, D.	Schoenfeld	Welle
Cohen	Jensen	Nelson, K.	Schreiber	Wenzel
Coleman	Johnson	Neuenschwander	Segal	Wynia
Dempey	Kahn	O'Connor	Shaver	Speaker Sieben

Those who voted in the negative were:

DenOuden	Himle	Quist	Stadum	Welker
Fjoslien	Jennings	Reif	Svigum	Wigley
Frerichs	Ludeman	Schafer	Valento	Zaffke
Haukoos	Olsen	Seaberg		

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. 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.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Elioff moved that the House concur in the Senate amendments to H. F. No. 2238 and that the bill be repassed as amended by the Senate. The motion prevailed.

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 third time, as amended by the Senate, and placed upon its repassage.

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

Those who voted in the affirmative were:

Anderson, B.	Evans	Krueger	Pauly	Skoglund
Anderson, G.	Findlay	Kvam	Peterson	Solberg
Battaglia	Fjoslien	Larsen	Piepho	Sparby
Beard	Forsythe	Levi	Piper	Stadum
Begich	Frerichs	Long	Price	Staten
Bennett	Graba	Ludeman	Quinn	Sviggum
Bergstrom	Greenfield	Mann	Quist	Swanson
Bishop	Gruenes	Marsh	Reif	Thiede
Blatz	Gustafson	McDonald	Rice	Tomlinson
Boo	Gutknecht	McEachern	Riveness	Tunheim
Brandl	Halberg	McKasy	Rodosovich	Uphus
Brinkman	Haukoos	Metzen	Rodriguez, C.	Valan
Burger	Heap	Minne	Rodriguez, F.	Valento
Carlson, L.	Heimitz	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	Knuth	Osthoff	Sherman	Speaker Sieben
Erickson	Kostohryz	Otis	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. 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.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Clark, K., moved that the House concur in the Senate amendments to H. F. No. 1502 and that the bill be repassed as amended by the Senate. The motion prevailed.

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.

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 46 yeas and 76 nays as follows:

Those who voted in the affirmative were:

Boo	Gruenes	O'Connor	Scheid	Vanasek
Carlson, I.	Jensen	Ogren	Segal	Vellenga
Clark, J.	Kahn	Omann	Sherman	Voss
Clark, K.	Kelly	Otis	Simoneau	Wynia
Coleman	Knuth	Piper	Solberg	Zaffke
Dempsey	Kostohryz	Price	Staten	Speaker Sieben
Eken	Larsen	Riveness	Sviggum	
Ellingson	Long	Rodriguez, C.	Swanson	
Graba	Murphy	Rodriguez, F.	Tomlinson	
Greenfield	Norton	St. Onge	Tunheim	

Those who voted in the negative were:

Anderson, B.	Fjoslien	Krueger	Pauly	Skoglund
Battaglia	Forsythe	Kvam	Peterson	Sparby
Beard	Frerichs	Levi	Piepho	Stadum
Begich	Gustafson	Ludeman	Quinn	Thiede
Bennett	Gutknecht	Mann	Quist	Uphus
Bishop	Halberg	Marsh	Redalen	Valan
Blatz	Haukoos	McDonald	Reif	Valento
Brandl	Heap	McEachern	Rodosovich	Waltman
Brinkman	Heinitz	McKasy	Rose	Welch
Burger	Himle	Metzen	Sarna	Welker
Cohen	Hoffman	Minnie	Schafer	Welle
DenOuden	Hokr	Munger	Schoenfeld	Wigley
Elioff	Jacobs	Neuenschwander	Schreiber	
Erickson	Jennings	Olsen	Seaberg	
Evans	Johnson	Onnen	Shaver	
Findlay	Kalis	Osthoff	Shea	

The bill was not repassed, as amended by 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. 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.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Osthoff moved that the House concur in the Senate amendments to H. F. No. 1815 and that the bill be repassed as amended by the Senate. The motion prevailed.

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; 272.03, subdivision 2; 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; 272.03, 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, as amended by the Senate, and placed upon its repassage.

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

Those who voted in the affirmative were:

Anderson, B.	Findlay	Kvam	Piepho	Skoglund
Anderson, C.	Fjoslien	Larsen	Piper	Solberg
Battaglia	Forsythe	Levi	Price	Sparby
Beard	Graba	Long	Quinn	Stadum
Begich	Greenfield	Ludeman	Quist	Staten
Bennett	Gruenes	Mann	Redalen	Sviggum
Bergstrom	Gustafson	Marsh	Reif	Swanson
Bishop	Gutknecht	McEachern	Rice	Thiede
Blatz	Halberg	McKasy	Riveness	Tomlinson
Boo	Haukoos	Metzen	Rodosovich	Tunheim
Brandl	Heap	Minne	Rodriguez, C.	Uphus
Brinkman	Heinitz	Munger	Rodriguez, F.	Valan
Burger	Himle	Murphy	Rose	Valento
Carlson, L.	Hoffman	Nelson, K.	St. Onge	Vellenga
Clark, J.	Hokr	Neuenschwander	Sarna	Voss
Clawson	Jacobs	Norton	Schafer	Waltman
Cohen	Jennings	O'Connor	Scheid	Welch
Dempsey	Jensen	Ogren	Schoenfeld	Welker
DenOuden	Johnson	Olsen	Schreiber	Welle
Dimler	Kahn	Omann	Seaberg	Wenzel
Eken	Kalis	Onnen	Segal	Wigley
Elioff	Kelly	Osthoff	Shaver	Wynia
Ellingson	Knuth	Otis	Shea	Zaffke
Erickson	Kostohryz	Pauly	Sherman	Speaker Sieben
Evans	Krueger	Peterson	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. 1032, A bill for an act relating to Washington county; permitting the county to assess for highway improvements within cities.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Hoffman moved that the House concur in the Senate amendments to H. F. No. 1032 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1032, A bill for an act relating to local improvements; permitting counties to assess for highway improvements within cities; amending Minnesota Statutes 1982, sections 429.-011, subdivision 2a; and 429.061, 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 124 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Clark, J., moved that the House concur in the Senate amendments to H. F. No. 1304 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1304, A bill for an act relating to 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, 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.	Evans	Krueger	Piper	Sparby
Anderson, G.	Findlay	Kvam	Price	Stadum
Battaglia	Fjoslien	Larsen	Quinn	Staten
Beard	Forsythe	Levi	Quist	Sviggum
Begich	Frerichs	Long	Redalen	Swanson
Bennett	Graba	Ludeman	Reif	Thiede
Bergstrom	Greenfield	Mann	Rice	Tomlinson
Bishop	Gruenes	Marsh	Riveness	Tunheim
Blatz	Gustafson	Metzen	Rodosovich	Uphus
Boo	Gutknecht	Minne	Rodriguez, C.	Valan
Brandl	Halberg	Munger	Rodriguez, F.	Valento
Brinkman	Haukoos	Murphy	Rose	Vanasek
Burger	Heap	Nelson, D.	St. Onge	Vellenga
Carlson, L.	Heinitz	Nelson, K.	Sarna	Voss
Clark, J.	Himle	Neuenschwander	Schafer	Waltman
Clark, K.	Hoffman	Norton	Scheid	Welch
Clawson	Hokr	O'Connor	Schoenfeld	Welker
Cohen	Jacobs	Ogren	Schreiber	Welle
Coleman	Jennings	Olsen	Seaberg	Wenzel
Dempsey	Jensen	Omann	Segal	Wigley
DenOuden	Johnson	Onnen	Shaver	Wynia
Dimler	Kahn	Osthoff	Shea	Zaffke
Eken	Kalis	Otis	Sherman	Speaker Sieben
Elioff	Kelly	Pauly	Simoneau	
Ellingson	Knuth	Peterson	Skoglund	
Erickson	Kostohryz	Piepho	Solberg	

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. 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.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Onnen moved that the House concur in the Senate amendments to H. F. No. 1404 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1404, A bill for an act relating to drainage; providing for correction of certain errors in county or judicial ditch benefits; changing the fee for mailing certain notices; amending Minnesota Statutes 1982, sections 106.465; and 106.531.

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

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

Those who voted in the affirmative were:

Anderson, B.	Evans	Kvam	Piepho	Solberg
Anderson, G.	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	McEachern	Rice	Tomlinson
Blatz	Gustafson	McKasy	Riveness	Tunheim
Boo	Gutknecht	Metzen	Rodosovich	Uphus
Brandl	Halberg	Minne	Rodriguez, C.	Valan
Brinkman	Haukoos	Munger	Rodriguez, F.	Valento
Burger	Heap	Murphy	Rose	Vanasek
Carlson, L.	Heinitz	Nelson, D.	St. Onge	Vellenga
Clark, J.	Himle	Nelson, K.	Sarna	Voss
Clark, K.	Hoffman	Neuenschwander	Schafer	Waltman
Clawson	Hokr	Norton	Scheid	Welch
Cohen	Jacobs	O'Connor	Schoenfeld	Welker
Coleman	Jensen	Ogren	Schreiber	Welle
Dempsey	Johnson	Olsen	Seaberg	Wenzel
DenOuden	Kahn	Omann	Segal	Wigley
Dimler	Kalis	Onnen	Shaver	Wynia
Eken	Kelly	Osthoff	Shea	Zaffke
Elioff	Knuth	Otis	Sherman	Speaker Sieben
Ellingson	Kostohryz	Pauly	Simoneau	
Erickson	Krueger	Peterson	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. 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; 121.934, subdivision 1; 182.656, subdivision 1; and 326.33, subdivision 1; Minnesota Statutes 1983 Supplement, sections 16.911, subdivision 1; 116E.02, subdivision 1; and 299B.05, subdivision 1; repealing Minnesota Statutes 1982, section 116E.02, subdivision 2.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Knuth moved that the House concur in the Senate amendments to H. F. No. 1946 and that the bill be repassed as amended by the Senate. The motion prevailed.

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; 182.656, subdivision 1; and 326.33, subdivision 1; Minnesota Statutes 1983 Supplement, sections 16.911, subdivision 1; 116E.02, subdivision 1; and 299B.05, subdivision 1; repealing Minnesota Statutes 1982, section 116E.02, subdivision 2.

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

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

Those who voted in the affirmative were:

Anderson, B.	Brinkman	Eken	Gruenes	Jennings
Anderson, C.	Burger	Elioff	Gustafson	Jensen
Battaglia	Carlson, L.	Ellingson	Gutknecht	Johnson
Beard	Clark, J.	Erickson	Halberg	Kahn
Begich	Clark, K.	Evans	Haukoos	Kalis
Bennett	Clawson	Findlay	Heap	Kelly
Bergstrom	Cohen	Fjoslien	Heinitz	Knuth
Bishop	Coleman	Forsythe	Himle	Kostohryz
Blatz	Dempsey	Frerichs	Hoffman	Krueger
Boo	DonOuden	Graba	Hokr	Kvam
Brandl	Dimler	Greenfield	Jacobs	Larsen

Levi	Ogren	Rice	Shea	Yalan
Ludeman	Olsen	Rodosovich	Sherman	Valento
Mann	Omenn	Rodriguez, C.	Simoneau	Vanasek
Marsh	Onnen	Rodriguez, F.	Skoglund	Vellenga
McEachern	Osthoff	Rose	Solberg	Voss
McKasy	Otis	St. Onge	Sparby	Waltman
Metzen	Pauly	Sarna	Stadum	Welch
Minne	Peterson	Schafer	Staten	Welker
Munger	Piepho	Scheid	Sviggum	Welle
Murphy	Piper	Schoenfeld	Swanson	Wenzel
Nelson, D.	Price	Schreiber	Thiede	Wigley
Neuenschwander	Quinn	Seaberg	Tomlinson	Wynia
Norton	Quist	Segal	Tunheim	Zaffke
O'Connor	Redalen	Shaver	Uphus	Speaker Sieben

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. 1803, A bill for an act relating to Kandiyohi County; permitting the county to abate and cancel liens filed against property benefited by county ditches 10 and 46.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Welle moved that the House concur in the Senate amendments to H. F. No. 1803 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1803, A bill for an act relating to Kandiyohi County; authorizing the county to satisfy certain liens according to certain procedures.

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

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

Those who voted in the affirmative were:

Anderson, B.	Begich	Blatz	Burger	Clawson
Anderson, G.	Bennett	Boo	Carlson, L.	Cohen
Battaglia	Bergstrom	Brandl	Clark, J.	Coleman
Beard	Bishop	Brinkman	Clark, K.	Dempsey

DenOuden	Hoffman	Metzen	Rice	Staten
Dimaler	Hokr	Minne	Riveness	Sviggum
Eken	Jacobs	Munger	Rodosovich	Swanson
Etioff	Jennings	Murphy	Rodriguez, C.	Thiede
Ellingson	Jensen	Neuenschwander	Rodriguez, F.	Tomlinson
Erickson	Johnson	Norton	Rose	Tunheim
Evans	Kahn	Ogren	St. Onge	Uphus
Findlay	Kalis	Olsen	Sarna	Valan
Fjoslien	Keily	Omann	Schafer	Valento
Forsythe	Knuth	Onnen	Scheid	Vanasek
Frerichs	Kostohryz	Osthoff	Schreiber	Vellenga
Graba	Krueger	Otis	Seaberg	Voss
Greenfield	Kvam	Pauly	Segal	Waltman
Gruenes	Larsen	Peterson	Shaver	Welch
Gustafson	Levi	Piepho	Shea	Welker
Gutknecht	Long	Piper	Sherman	Welle
Halberg	Ludeman	Price	Simoneau	Wenzel
Haukoos	Mann	Quinn	Skoglund	Wigley
Heap	Marsh	Quist	Solberg	Wynia
Heinitz	McEachern	Redalen	Sparby	Zaffke
Himle	McKasy	Reif	Stadum	Speaker Sieben

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. 1875, A bill for an act relating to certain counties; providing for changes in the administration of county nursing homes and the issuance of general obligation bonds for such homes; authorizing the establishment of facilities for the provision of supportive services; allowing for a change in the reporting year for municipal nursing homes; amending Minnesota Statutes 1982, sections 376.55; 376.56; 376.57; 376.58; 376.59; 376.60; and 471.696; repealing Minnesota Statutes 1982, sections 376.573; 376.61; 376.62; 376.63; 376.64; 376.65; and 376.66.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Graba moved that the House concur in the Senate amendments to H. F. No. 1875 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1875, A bill for an act relating to local government; providing for changes in the administration of county nursing homes and the issuance of general obligation bonds for such homes; authorizing the establishment of facilities for the provision of supportive services; allowing for a change in the report-

ing year for municipal nursing homes; amending Minnesota Statutes 1982, sections 376.55; 376.56; 376.57; 376.58; 376.59; 376.60; and 471.696; 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 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.	Evans	Krueger	Piepho	Stadum
Anderson, G.	Findlay	Kvam	Piper	Staten
Battaglia	Fjoslien	Larsen	Price	Sviggunn
Beard	Forsythe	Levi	Quist	Swanson
Begich	Frerichs	Long	Redalen	Thiede
Bennett	Graba	Ludeman	Rice	Tomlinson
Bergstrom	Greenfield	Mann	Riveness	Tunheim
Bishop	Gruenes	Marsh	Rodosovich	Uphus
Blatz	Gustafson	McEachern	Rodriguez, C.	Valan
Boo	Gutknecht	McKasy	Rodriguez, F.	Valento
Brandl	Halberg	Metzen	Rose	Vanasek
Brinkman	Haukoos	Minne	St. Onge	Vellenga
Burger	Heap	Munger	Sarna	Voss
Carlson, L.	Heinitz	Murphy	Schafer	Waltman
Clark, J.	Himle	Nelson, D.	Scheid	Welch
Clark, K.	Hoffman	Neuenschwander	Schoenfeld	Welker
Clawson	Hokr	Norton	Schreiber	Welle
Cohen	Jacobs	O'Connor	Seaberg	Wenzel
Coleman	Jennings	Ogren	Segal	Wigley
Dempsey	Jensen	Olsen	Shaver	Wynia
DenOuden	Johnson	Omann	Shea	Zaffke
Dimler	Kahn	Onnen	Sherman	Speaker Sieben
Eken	Kalis	Osthoff	Simoneau	
Elioff	Kelly	Otis	Skoglund	
Ellingson	Knuth	Pauly	Solberg	
Erickson	Kostohryz	Peterson	Sparby	

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. 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.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Bishop moved that the House concur in the Senate amendments to H. F. No. 1382 and that the bill be repassed as amended by the Senate. The motion prevailed.

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 subdivisions; and Minnesota Statutes 1983 Supplement, section 244.09, subdivision 11.

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

The question was taken on the repassage of the bill and the roll was called. There were 118 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Ellingson	Knuth	Otis	Skoglund
Anderson, G.	Erickson	Kostohryz	Pauly	Solberg
Battaglia	Evans	Kruger	Peterson	Sparby
Beard	Findlay	Kvam	Piper	Stadum
Begich	Fjosli	Larsen	Price	Sviggum
Bennett	Forsythe	Levi	Quinn	Swanson
Bergstrom	Frerichs	Ludeman	Redalen	Thiede
Bishop	Greenfield	Mann	Reif	Tomlinson
Blatz	Gruenes	Marsh	Riveness	Tunheim
Boo	Gustafson	McEachern	Rodosovich	Uphus
Brandl	Gutknecht	McKasy	Rodriguez, C.	Valan
Brinkman	Halberg	Metzen	Rodriguez, F.	Valento
Burger	Haukoos	Minne	Rose	Vanasek
Carlson, D.	Heinitz	Munger	St. Onge	Vellenga
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	Seal	Wynia
DenOuden	Kahn	Omann	Shea	Speaker Sieben
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. 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.

PATRICK E. FLAHAVERN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Brandl moved that the House concur in the Senate amendments to H. F. No. 1886 and that the bill be repassed as amended by the Senate. The motion prevailed.

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, 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.	Eken	Jensen	Ogren	Scheid
Anderson, G.	Elioff	Johnson	Olsen	Schoenfeld
Beard	Ellingson	Kahn	Omann	Schreiber
Begich	Erickson	Kalis	Onnen	Seaberg
Bennett	Evans	Kelly	Osthoff	Segal
Bergstrom	Findlay	Knuth	Otis	Shea
Bishop	Fjoslien	Kostohryz	Pauly	Sherman
Blatz	Forsythe	Krueger	Peterson	Simoneau
Boo	Frerichs	Kvam	Piapho	Skoglund
Brandl	Graba	Larsen	Piper	Solberg
Brinkman	Greenfield	Levi	Quinn	Sparby
Burger	Gruenes	Ludeman	Quist	Stadum
Carlson, D.	Gustafson	Mann	Redalen	Staten
Carlson, L.	Gutknecht	Marsh	Reif	Sviggum
Clark, J.	Halberg	McEachern	Riveness	Swanson
Clark, K.	Haukoos	McKasy	Rodosovich	Thiede
Clawson	Heap	Metzen	Rodriguez, C.	Tomlinson
Cohen	Heinitz	Minne	Rodriguez, F.	Tunheim
Coleman	Himle	Murphy	Rose	Uphus
Dempsey	Hokr	Nelson, D.	St. Onge	Valan
DenOuden	Jacobs	Neuenschwander	Sarna	Valento
Dimler	Jennings	Norton	Schafer	Vanasek

Vellenga
Voss
Waltman

Welch
Weiker

Welle
Wenzel

Wigley
Wynia

Zaffke
Speaker Sieben

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. 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.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Skoglund moved that the House concur in the Senate amendments to H. F. No. 1533 and that the bill be repassed as amended by the Senate. The motion prevailed.

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, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 120 yeas and 2 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Clark, K.	Greenfield	Kalis	Minne
Battaglia	Cohen	Gruenes	Kelly	Munger
Beard	Coleman	Gustafson	Knuth	Murphy
Bogich	Demsey	Gutknecht	Kostohryz	Nelson, D.
Bennett	DenOuden	Halberg	Krueger	Nelson, K.
Bergstrom	Dimler	Haukoos	Kvam	Neuenschwander
Bishop	Eken	Heap	Larsen	Norton
Blatz	Elioff	Heinitz	Levi	O'Connor
Boo	Ellingson	Himle	Long	Ogren
Brandl	Evans	Hokr	Mann	Olsen
Brinkman	Findlay	Jacobs	Marsh	Omann
Burger	Fjoslien	Jennings	McEachern	Onnen
Carlson, L.	Forsythe	Jensen	McKasy	Osthoff
Clark, J.	Frerichs	Johnson	Metzen	Otis

Pauly	Rodosovich	Seaberg	Staten	Vellenga
Peterson	Rodriguez, C.	Segal	Sviggum	Voss
Piepho	Rodriguez, F.	Shaver	Swanson	Waltman
Piper	Rose	Shea	Thiede	Welch
Quinn	St. Onge	Sherman	Tomlinson	Welle
Quist	Sarna	Simoneau	Tunheim	Wenzel
Redalen	Schafer	Skoglund	Uphus	Wigley
Reif	Scheid	Solberg	Valan	Wynia
Rice	Schoenfeld	Sparby	Valento	Zaffke
Riveness	Schreiber	Stadum	Vanasek	Speaker Sieber

Those who voted in the negative were:

Ludeman Welker

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

Mr. Speaker:

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

H. F. No. 1920, A bill for an act relating to public welfare; establishing payments for respite care of children who are mentally retarded, have epilepsy, or are emotionally handicapped; 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.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Brandl moved that the House concur in the Senate amendments to H. F. No. 1920 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1920, A bill for an act relating to public welfare; establishing payments for respite care of children who are mentally retarded, have epilepsy, or are emotionally handicapped; 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 third time, as amended by the Senate, and placed upon its repassage.

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

Those who voted in the affirmative were:

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

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. 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.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Otis moved that the House concur in the Senate amendments to H. F. No. 1775 and that the bill be repassed as amended by the Senate. The motion prevailed.

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 a subdivision; 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 as Minnesota Statutes, chapter 116M; 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 third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 75 yeas and 48 nays as follows:

Those who voted in the affirmative were:

Battaglia	Ellingson	Marsh	Peterson	Solberg
Beard	Greenfield	McEachern	Piper	Sparby
Begich	Gruenes	Metzen	Price	Staten
Bergstrom	Gustafson	Minne	Quinn	Swanson
Boo	Hoffman	Munger	Rivness	Tomlinson
Brandl	Jacobs	Murphy	Rodosovich	Tunheim
Brinkman	Jensen	Nelson, D.	Rodriguez, C.	Uphus
Carlson, L.	Kalis	Nelson, K.	Rodriguez, F.	Valan
Clark, J.	Kelly	Neuenschwander	St. Onge	Vanasek
Clark, K.	Knuth	Norton	Sarna	Vellenga
Cohen	Kostohryz	O'Connor	Scheid	Voss
Coleman	Krueger	Ogren	Schoenfeld	Welch
Dimler	Larsen	Omann	Segal	Welle
Eken	Long	Osthoff	Simoneau	Wynia
Eloff	Mann	Otis	Skoglund	Speaker Sieben

Those who voted in the negative were:

Bennett	Erickson	Halberg	Johnson	Onnen
Bishop	Evans	Haukoos	Kvam	Pauly
Blatz	Findlay	Heap	Levi	Piepho
Burger	Fjoslien	Heinitz	Ludeman	Quist
Carlson, D.	Forsythe	Himle	McDonald	Redalen
Dempsey	Frerichs	Hokr	McKasy	Reif
DeaOuden	Gutknecht	Jennings	Olsen	Rose

Schafer	Shaver	Thiede	Welker	Wigley
Schreiber	Sherman	Valento	Wenzel	Zaffke
Seaberg	Sviggum	Waltman		

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. 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.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Ogren moved that the House concur in the Senate amendments to H. F. No. 1524 and that the bill be repassed as amended by the Senate. The motion prevailed.

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.

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

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

Those who voted in the affirmative were:

Anderson, B.	Burger	Ellingson	Haukoos	Knuth
Anderson, G.	Carlson, D.	Erickson	Heap	Kostohryz
Anderson, R.	Carlson, L.	Evans	Heinitz	Krueger
Battaglia	Clark, J.	Findlay	Hindle	Kvam
Beard	Clark, K.	Fjoslien	Hoffman	Larsen
Begich	Clawson	Forsythe	Hokr	Levi
Bennett	Cohen	Frerichs	Jacobs	Long
Bergstrom	Coleman	Graba	Jennings	Ludeman
Bishop	Dempsey	Greenfield	Jensen	Mann
Blatz	DenOuden	Gruenes	Johnson	Marsh
Boo	Dimler	Gustafson	Kahn	McEachern
Brandl	Eken	Gutknecht	Kalis	McKasy
Brinkman	Elioff	Halberg	Kelly	Metzen

Minne	Otis	Rodriguez, F.	Solberg	Vellenga
Munger	Pauly	Rose	Sparby	Voss
Murphy	Peterson	St. Onge	Stadum	Waltman
Nelson, D.	Piepho	Sarna	Staten	Welch
Nelson, K.	Piper	Schafer	Sviggum	Welker
Neuenschwander	Price	Scheid	Swanson	Welle
Norton	Quinn	Schoenfeld	Thiede	Wenzel
O'Connor	Quist	Schreiber	Tomlinson	Wigley
Ogren	Redalen	Seaberg	Tunheim	Wynia
Olsen	Reif	Segal	Uphus	Zaffke
Omann	Riveness	Sherman	Valan	Speaker Sieben
Onnen	Rodosovich	Simoneau	Valento	
Osthoff	Rodriguez, C.	Skoglund	Vanasek	

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

Mr. Speaker:

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

H. F. No. 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.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Skoglund moved that the House concur in the Senate amendments to H. F. No. 1352 and that the bill be repassed as amended by the Senate. The motion prevailed.

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.

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

The question was taken on the repassage of the bill and the roll was called. There were 126 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Anderson, G.	Bennett	Brandl	Clark, J.	Dempsey
Anderson, R.	Bergstrom	Brinkman	Clark, K.	DenOuden
Battaglia	Bishop	Burger	Clawson	Dimler
Beard	Blatz	Carlson, D.	Cohen	Eken
Begich	Boo	Carlson, L.	Coleman	Elioff

Ellingson	Jensen	Nelson, D.	Rodriguez, C.	Thiede
Erickson	Johnson	Nelson, K.	Rodriguez, F.	Tomlinson
Evans	Kahn	Neuenschwander	Rose	Tunheim
Findlay	Kalis	Norton	St. Onge	Upphus
Fjoslien	Kelly	Ogren	Sarna	Valan
Forsythe	Knuth	Olsen	Schafer	Valento
Frerichs	Kostohryz	Omann	Scheid	Vanasek
Graba	Krueger	Onnen	Schoenfeld	Vellenga
Greenfield	Kvam	Osthoff	Schreiber	Waltman
Gruenes	Larsen	Otis	Seaberg	Welch
Gustafson	Levi	Pauly	Segal	Welker
Gutknecht	Long	Peterson	Shaver	Welle
Halberg	Ludeman	Piper	Sherman	Wenzel
Haukoos	Mann	Price	Simoneau	Wigley
Heap	Marsh	Quinn	Skoglund	Wynia
Heinitz	McEachern	Quist	Solberg	Zaffke
Himle	McKasy	Redalen	Sparby	Speaker Sieben
Hoffman	Metzen	Reif	Stadum	
Hokr	Minne	Rice	Staten	
Jacobs	Munger	Riveness	Sviggum	
Jennings	Murphy	Rodosovich	Swanson	

Those who voted in the negative were:

Anderson, B.

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. 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 1982, sections 116J.88, by adding a subdivision; 116J.90, by adding subdivisions; Minnesota Statutes 1983 Supplement, sections 116J.88, subdivisions 7 and 7a; and 116J.90, subdivision 3.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Kalis moved that the House concur in the Senate amendments to H. F. No. 2051 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 2051, A bill for an act relating to agriculture; authorizing the energy and economic development authority to pur-

chase, make, or participate in farm loans and to issue bonds or notes for this purpose; authorizing a loan-to-lender program; allocating bonding authority pursuant to a federal limitation act; amending Minnesota Statutes 1982, sections 116J.88, by adding subdivisions; 116J.90, by adding subdivisions; Minnesota Statutes 1983 Supplement, sections 116J.88, subdivisions 7 and 7a; and 116J.90, subdivisions 1 and 3; proposing new law coded in Minnesota Statutes, chapter 474.

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 94 yeas and 17 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Ellingson	Kostohryz	Pauly	Sherman
Anderson, G.	Erickson	Krueger	Peterson	Simoneau
Anderson, R.	Evans	Kvam	Piper	Sköglund
Battaglia	Findlay	Larsen	Price	Sparby
Beard	Fjoslien	Long	Quinn	Staten
Begich	Forsythe	Mann	Redalen	Sviggum
Bergstrom	Frerichs	McEachern	Rice	Swanson
Bishop	Greenfield	Metzen	Riveness	Tomlinson
Blatz	Gustafson	Munger	Rodosovich	Tunheim
Boo	Heap	Murphy	Rodriguez, C.	Uphus
Brandl	Heinitz	Nelson, D.	Rodriguez, F.	Valan
Brinkman	Himle	Nelson, K.	Rose	Varasek
Carlson, L.	Hoffman	Neuenschwander	St. Onge	Vellenga
Clark, J.	Jensen	Norton	Sarna	Waltman
Clawson	Johnson	Ogren	Scheid	Weich
Coleman	Kahn	Oisen	Schoenfeld	Wenzel
Dempsey	Kalis	Omman	Seaberg	Wynia
Eken	Kelly	Opnen	Segal	Speaker Sieben
Elioff	Knuth	Otis	Shea	

Those who voted in the negative were:

Bennett	Cutknecht	Marsh	Schafer	Valento
Burger	Haukoos	Osthoff	Shaver	Welker
DenOuden	Jennings	Quist	Thiede	Zaffke
Cruenes	Ludeman			

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

Mr. Speaker:

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

H. F. No. 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;

providing for the approval of certain life insurance policies by the commissioner; 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; describing certain requirements for enrollment in the comprehensive health insurance plan; increasing the agents referral fee under the comprehensive health insurance plan; 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 non-renewal 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; clarifying the powers of the commissioner regarding audits of the compensation 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, subdivisions 4 and 8; 60A.199; 60A.21, subdivision 2; 60A.23, subdivision 5; 61A.02; 61A.03, by adding a subdivision; 62A.025; 62E.14, subdivision 1; 62E.15, subdivision 3; 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; 67A.241, subdivision 2; 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; 79.39; 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, subdivision 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, chapters 60A and 61A; repealing Minnesota Statutes 1982, sections 65B.15, subdivision 3; 65B.48, subdivision 8; and 69.031, subdivision 6.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Skoglund moved that the House concur in the Senate amendments to H. F. No. 1678 and that the bill be repassed as amended by the Senate. The motion prevailed.

The Speaker resumed the Chair.

H. F. No. 1678, A bill for an act relating to commerce; clarifying identity between federal savings and loan associations and savings banks; 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; providing for the approval of certain life insurance policies by the commissioner; 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; describing certain requirements for enrollment in the comprehensive health insurance plan; increasing the agents referral fee under the comprehensive health insurance plan; 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"; clarifying certain ambiguous provisions in the No-Fault Automobile Insurance Act; 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; clarifying the powers of the commissioner regarding audits of the compensation reinsurance association; making various technical changes; providing remedies; prescribing penalties; appropriating money; amending Minnesota Statutes 1982, sections 47.27, subdivision 4; 47.29; 47.31; 47.32; 47.49, subdivision 4; 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, subdivisions 4 and 8; 60A.199; 60A.21, subdivision 2; 60A.23, subdivision 5; 61A.02; 61A.03, by adding a subdivision; 62A.025; 62E.14, subdivision 1; 62E.15, subdivision 3; 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; 65B.55, subdivision 1; 67A.241, subdivision 2; 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; 79.39; 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, subdivision 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, chapters 60A and 61A; repealing Minnesota Statutes 1982, sections 65B.15, subdivision 3; 65B.48, subdivision 8; and 69.031, subdivision 6.

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

The question was taken on the repassage of the bill and the roll was called. There were 107 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Ellingson	Kostohryz	Pauly	Sparby
Anderson, G.	Evans	Krueger	Peterson	Stadum
Anderson, R.	Findlay	Kvam	Piepho	Staten
Battaglia	Fjoslien	Levi	Piper	Sviggum
Beard	Forsythe	Long	Price	Swanson
Begich	Frerichs	Ludeman	Quist	Tomlinson
Bergstrom	Greenfield	Mann	Rice	Uphus
Bishop	Gruenes	Marsh	Rodosovich	Valari
Blatz	Custafson	McEachern	Rodriguez, F.	Valento
Boo	Gutknecht	McKasy	Sarna	Vanasek
Brandl	Haukoos	Metzen	Schafer	Vellenga
Brinkman	Heinitz	Munger	Scheid	Waltman
Burger	Himle	Murphy	Schoenfeld	Welch
Carlson, L.	Hoffman	Nelson, D.	Schreiber	Welker
Clark, J.	Jacobs	Nelson, K.	Seaberg	Welle
Clark, K.	Jennings	Neuenschwander	Segal	Wenzel
Clawson	Jensen	O'Connor	Shaver	Wynia
Cohen	Johnson	Ogren	Shea	Zaffke
Coleman	Kahn	Olsen	Sherman	Speaker Sieben
Dempsey	Kalis	Omann	Simoneau	
Eken	Kelly	Onnen	Skoglund	
Elioff	Knuth	Otis	Solberg	

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

There being no objection the order of business reverted to Reports of Chief Clerk.

REPORTS OF CHIEF CLERK

S. F. No. 1441 and H. F. No. 1667, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Greenfield moved that the rules be so far suspended that S. F. No. 1441 be substituted for H. F. No. 1667 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1614 and H. F. No. 1708, 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. 1614 be substituted for H. F. No. 1708 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1736 and H. F. No. 1668, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Kahn moved that the rules be so far suspended that S. F. No. 1736 be substituted for H. F. No. 1668 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1940 and H. F. No. 1750, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Kahn moved that the rules be so far suspended that S. F. No. 1940 be substituted for H. F. No. 1750 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2072 and H. F. No. 2185, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Schoenfeld moved that the rules be so far suspended that S. F. No. 2072 be substituted for H. F. No. 2185 and that the House File be indefinitely postponed. The motion prevailed.

SECOND READING OF SENATE BILLS

S. F. Nos. 1441, 1614, 1736, 1940 and 2072 were read for the second time.

There being no objection the order of business reverted to Messages from the Senate.

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

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

H. F. No. 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.

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; Minnesota Statutes 1983 Supplement, section 256.871, subdivision 7.

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. 2314, A bill for an act relating to capital improvements; authorizing the acquisition and betterment of 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; 16A.54; 16A.66, as amended; 16A.671; 16A.675; 85A.04, subdivision 3; 115.03, subdivision 1; 116.16, subdivisions 2, 4, 5, 9, and by adding a subdivision; 116.18, as amended; 136.40, subdivision 6; 475A.03, subdivision 1; 475A.05, subdivision 1, and by adding a subdivision; 475A.06, subdivision 7; Minnesota Statutes 1983 Supplement, sections 16A.672; 116J.926, subdivision 3; Laws 1983, chapter 344, section 6, subdivision 8; proposing new law coded in Minnesota Statutes, chapter 16A; and repealing Minnesota Statutes 1982, sections 16A.63; 16A.64, as amended by Laws 1983, chapter 301, sections 94 and 95; 16A.65; and 116.16, subdivisions 6 and 7; and Laws 1981, chapter 275; Laws 1981, chapter 334, section 11, subdivision 4; Laws 1982, chapter 639, section 5.

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 Senate Files, herewith transmitted:

S. F. Nos. 2010 and 2133.

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. 2108.

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. 1821.

PATRICK E. FLAHAVEN, Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 2010, A bill for an act relating to Hubbard County; authorizing a special levy for park and recreation purposes; requiring a reverse referendum under certain circumstances.

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

S. F. No. 2133, A bill for an act relating to Hubbard County; authorizing county appropriations to the county agricultural society and an annual levy for that purpose; requiring a reverse referendum under certain circumstances.

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

S. F. No. 2108, A bill for an act relating to civil commitment; establishing procedures for passes for persons committed as mentally ill and dangerous; 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 re-

siding in state facilities pursuant to an order of guardianship; amending Minnesota Statutes 1982, sections 253B.02, by adding subdivisions; 253B.08, subdivision 5; 253B.18, by adding subdivisions; and 526.10; Minnesota Statutes 1983 Supplement, sections 253B.07, subdivision 7; and 525.619; and Laws 1982, chapter 581, section 26, as amended.

The bill was read for the first time.

SUSPENSION OF RULES

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, Clawson moved that the rule therein be suspended and an urgency be declared so that S. F. No. 2108 be given its second and third readings and be placed upon its final passage. The motion prevailed.

Clawson moved that the rules of the House be so far suspended that S. F. No. 2108 be given its second and third readings and be placed upon its final passage. The motion prevailed.

S. F. No. 2108 was read for the second time.

Clawson moved to amend S. F. No. 2108 as follows:

Page 3, line 32, after "notify" insert "*the designated agency,*"

Page 3, line 34, after "*petitioner,*" insert "*and*"

Page 3, line 34, after "*counsel*" delete "*and*"

Page 3, delete line 35

Page 3, line 36, delete "*of their family members who request notice in writing*"

Page 4, line 33, delete "*The notice to the county attorney shall*"

Page 4, delete line 34

Page 4, line 35, delete "*to believe may be potential victims of the patient.*"

Page 5, line 5, delete "*The*"

Page 5, delete lines 6 through 11

Page 5, line 12, delete "*petitioning the special review board.*"

The motion prevailed and the amendment was adopted.

S. F. No. 2108, A bill for an act relating to civil commitment; establishing procedures for passes for persons committed as mentally ill and dangerous; 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, sections 253B.02, by adding subdivisions; 253B.08, subdivision 5; 253B.18, by adding subdivisions; and 526.10; Minnesota Statutes 1983 Supplement, sections 253B.07, subdivision 7; and 525.619; and Laws 1982, chapter 581, section 26, as amended.

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

The question was taken on the passage of the bill and the roll was called. There were 114 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Elioff	Kelly	Otis	Solberg
Anderson, G.	Eilingson	Knuth	Pauly	Sparby
Battaglia	Erickson	Kostohryz	Peterson	Stadum
Beard	Evans	Kvam	Piepho	Staten
Begich	Findlay	Larsen	Piper	Svigggum
Bennett	Fjoslien	Levi	Price	Swanson
Bishop	Forsythe	Long	Quist	Thiede
Blatz	Frerichs	Ludeman	Rice	Tomlinson
Boo	Graba	Mann	Riveness	Tunheim
Brandl	Greenfield	Marsh	Rodosovich	Valan
Brinkman	Gruenes	McDonald	Rodriguez, C.	Valento
Burger	Gustafson	McEachern	Rodriguez, F.	Vanasek
Carlson, D.	Gutknecht	McKasy	St. Onge	Vellenga
Carlson, L.	Haukoo's	Metzen	Sarna	Waltman
Clark, J.	Heinitz	Munger	Schafer	Welch
Clark, K.	Himle	Murphy	Scheid	Welker
Clawson	Hoffman	Nelson, D.	Schoenfeld	Welle
Cohen	Jacobs	Nelson, K.	Seaberg	Wenzel
Coleman	Jennings	Neuenschwander	Segal	Wigley
Dempsey	Jensen	Ogren	Shea	Wynia
DenOuden	Johnson	Olsen	Sherman	Zaffke
Dimler	Kahn	Omann	Simoneau	Speaker Sieben
Eken	Kalis	Onnen	Skoglund	

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

FIRST READING OF SENATE BILLS, Continued

S. F. No. 1821, 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.

The bill was read for the first time.

SUSPENSION OF RULES

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, Dempsey moved that the rule therein be suspended and an urgency be declared so that S. F. No. 1821 be given its second and third readings and be placed upon its final passage. The motion prevailed.

Dempsey moved that the rules of the House be so far suspended that S. F. No. 1821 be given its second and third readings and be placed upon its final passage. The motion prevailed.

S. F. No. 1821 was read for the second time.

S. F. No. 1821, 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.

The bill was read for the third 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.	Eken	Knuth	Osthoff	Simoneau
Anderson, G.	Elioff	Kostohryz	Otis	Skoglund
Anderson, R.	Ellingson	Krueger	Pauly	Solberg
Battaglia	Erickson	Kvam	Peterson	Sparby
Beard	Evans	Larsen	Piepho	Staten
Begich	Findlay	Levi	Piper	Sviggum
Bennett	Fjoslien	Long	Price	Swanson
Bergstrom	Forsythe	Ludeman	Quinn	Thiede
Bishop	Frerichs	Mann	Quist	Tomlinson
Blatz	Graba	Marsh	Reif	Tunheim
Boo	Greenfield	McDonald	Rice	Uphus
Brandl	Gruenes	McEachern	Riveness	Valan
Brinkman	Gustafson	McKasy	Rodosovich	Valento
Burger	Gutknecht	Metzen	Rodriguez, F.	Vanasek
Carlson, D.	Halberg	Munger	St. Onge	Vellenga
Carlson, L.	Haukoos	Murphy	Sarna	Waltman
Clark, J.	Heap	Nelson, D.	Schafer	Welch
Clark, K.	Heinitz	Nelson, K.	Scheid	Welker
Clawson	Himle	Neuenschwander	Schoenfeld	Welle
Cohen	Hoffman	Norton	Seaberg	Wenzel
Columan	Jennings	Ogren	Segal	Wigley
Dempsey	Jensen	Olsen	Shaver	Wynia
DenOuden	Johnson	Omamm	Shea	Zaffke
Dimler	Kelly	Onnen	Sherman	Speaker Sieben

The bill was passed and its title agreed to.

The following conference committee reports were received:

CONFERENCE COMMITTEE REPORT ON H. F. NO. 1149

A bill for an act relating to liens; right of possession and liens on fabrication molds and patterns; providing a nonpossessory lien on personal property; lengthening the time limit for veterinary liens; amending Minnesota Statutes 1982, sections 514.18; 514.19; and 514.92, subdivision 1.

April 18, 1984

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

The Honorable Jerome M. Hughes
President of the Senate

We, the undersigned conferees for H. F. No. 1149, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment and that H. F. No. 1149 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 514.18, is amended to read:

514.18 [RETAINING.]

Subdivision 1. [MECHANICS' LIEN ON PERSONAL PROPERTY; PROPERTY IN POSSESSION.] Whoever, at the request of the owner or legal possessor of any personal property, shall store or care for or contribute in any of the modes mentioned in section 514.19 to its preservation, care, or to the enhancement of its value, shall have a lien upon such property for the price or value of such storage, care, or contribution, and for any legal charges against the same paid by such person to any other person, and the right to retain the property in his possession until such lien is lawfully discharged (; BUT A VOLUNTARY SURRENDER OF POSSESSION SHALL EXTINGUISH THE LIEN HEREIN GIVEN).

Subd. 2. [NONPOSSESSORY LIEN; NOTICE.] *Notwithstanding the voluntary surrender or other loss of possession of the property on which the lien is claimed, the person entitled thereto may preserve the lien, if at any time within 60 days after the surrender or loss of possession he gives notice of his*

lien by filing in the appropriate filing office under the uniform commercial code, Minnesota Statutes, section 336.9-401 a verified statement and notice of his intention to claim a lien. The statement shall contain a description of the property upon which the lien is claimed, the work performed or materials furnished and the amount due.

Subd. 3. [PRIORITY; SECURITY; INTEREST; FORECLOSURE.] The lien shall be valid against everyone except a purchaser or encumbrancer in good faith without notice and for value whose rights were acquired prior to the filing of the lien statement and who has filed a statement of his interest in the appropriate filing office. The lien shall be considered a security interest under the uniform commercial code and foreclosure thereon shall be in the manner prescribed for security interests under article 9 of the uniform commercial code.

Subd. 4. [MOTOR VEHICLES EXCLUDED.] Subdivisions 2 and 3 shall apply to machinery, implements and tools of all kinds but shall not apply to motor vehicles."

Delete the title and insert:

"A bill for an act relating to liens; providing a nonpossessory lien on personal property; amending Minnesota Statutes 1982, section 514.18."

We request adoption of this report and repassage of the bill.

House Conferees: JOHN T. CLAWSON, JOEL JACOBS and DOUGLAS W. CARLSON.

Senate Conferees: RANDOLPH W. PETERSON, MARILYN M. LANTRY and DONALD A. STORM.

Clawson moved that the report of the Conference Committee on H. F. No. 1149 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 1149, A bill for an act relating to liens; right of possession and liens on fabrication molds and patterns; providing a nonpossessory lien on personal property; lengthening the time limit for veterinary liens; amending Minnesota Statutes 1982, sections 514.18; 514.19; and 514.92, subdivision 1.

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

The question was taken on the repassage of the bill and the roll was called. There were 122 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Ellingson	Knuth	Onnen	Solberg
Anderson, G.	Erickson	Kostohryz	Osthoff	Sparby
Anderson, R.	Evans	Krueger	Otis	Staten
Battaglia	Findlay	Kvam	Pauly	Sviggum
Beard	Fjoslien	Larsen	Peterson	Swanson
Begich	Forsythe	Levi	Piepho	Thiede
Bennett	Frerichs	Long	Piper	Tomlinson
Bergstrom	Graba	Ludeman	Price	Tunheim
Bishop	Greenfield	Mann	Quist	Uphus
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.	Waltman
Carlson, L.	Heap	Minne	St. Onge	Welch
Clark, J.	Heinitz	Munger	Sarna	Welker
Clark, K.	Himle	Murphy	Schafer	Welle
Clawson	Hoffman	Nelson, D.	Scheid	Wenzel
Cohen	Jacobs	Nelson, K.	Schoenfeld	Wigley
Coleman	Jennings	Neuenschwander	Seaberg	Wymia
Dempsey	Jensen	Norton	Segal	Zaffke
DenOuden	Johnson	O'Connor	Shea	Speaker Sieben
Dimler	Kahn	Ogren	Sherman	
Eken	Kalis	Olsen	Simoneau	
Elioff	Kelly	Omann	Skoglund	

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

CONFERENCE COMMITTEE REPORT ON 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.

April 18, 1984

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

The Honorable Jerome M. Hughes
President of the Senate

We, the undersigned conferees for H. F. No. 1939, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments.

We request adoption of this report and repassage of the bill.

House Conferees: PATRICK W. BEARD, DAVID T. BISHOP and VIRGIL J. JOHNSON.

Senate Conferees: FLORIAN CHMIELEWSKI, HOWARD A. KNUTSON and BOB LESSARD.

Beard moved that the report of the Conference Committee on H. F. No. 1939 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

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, as amended by Conference, and placed upon its repassage.

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

Those who voted in the affirmative were:

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

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

Knuth was excused while in conference.

There being no objection the order of business reverted to Messages from the Senate.

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

S. F. No. 1258.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said Senate File is herewith transmitted to the House.

PATRICK E. FLAHAVER, Secretary of the Senate

CONFERENCE COMMITTEE REPORT ON S. F. NO. 1258

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; regulating nuclear fission electric generating plants in Minnesota; amending Minnesota Statutes 1982, section 116C.71, by adding subdivisions; and 116C.74; proposing new law coded in Minnesota Statutes, chapters 116C and 216B.

April 18, 1984

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. 1258, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate concur in the House amendment.

We request adoption of this report and repassage of the bill.

Senate Conferees: GENE MERRIAM, DONALD M. MOE and JAMES ULLAND.

House Conferees: KAREN CLARK, RICK KRUEGER and ELTON R. REDALEN.

Clark, K., moved that the report of the Conference Committee on S. F. No. 1258 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 1258, 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; regulating nuclear fission electric generating plants in Minnesota; amending Minnesota Statutes 1982, section 116C.71, by adding subdivisions; and 116C.74; proposing new law coded in Minnesota Statutes, chapters 116C and 216B.

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

The question was taken on the repassage of the bill and the roll was called. There were 118 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Erickson	Krueger	Pauly	Skoglund
Anderson, G.	Evans	Kvam	Peterson	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	Rice	Tomlinson
Blatz	Gustafson	McEachern	Rodosovich	Tunheim
Brandl	Gutknecht	McKasy	Rodriguez, C.	Valan
Brinkman	Halberg	Metzen	Rodriguez, F.	Valento
Burger	Haukoos	Munger	Rose	Vanasek
Carlson, L.	Heinitz	Murphy	St. Onge	Vellenga
Clark, J.	Himle	Nelson, D.	Sarna	Waltman
Clark, K.	Hoffman	Nelson, K.	Schafer	Welch
Clawson	Jacobs	Neuenschwander	Scheid	Welker
Cohen	Jensen	Norton	Schoenfeld	Welle
Coleman	Johnson	O'Connor	Seaberg	Wenzel
DenOuden	Kahn	Ogren	Segal	Wynia
Dimler	Kalis	Olsen	Shaver	Zaffke
Eken	Kelly	Omann	Shea	Speaker Sieben
Elioff	Knuth	Onnen	Sherman	
Ellingson	Kostohryz	Otis	Simoneau	

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

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

S. F. No. 1810.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said Senate File is herewith transmitted to the House.

PATRICK E. FLAHAVER, Secretary of the Senate

CONFERENCE COMMITTEE REPORT ON S. F. NO. 1810

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.

April 17, 1984

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. 1810, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendments and that S. F. No. 1810 be further amended as follows:

Delete everything after the enacting clause and 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.

Sec. 2. Minnesota Statutes 1982, section 65A.29, is amended by adding a subdivision to read:

Subd. 7. [RENEWAL; NOTICE REQUIREMENT.] No insurer shall refuse to renew, or reduce limits of coverage, or eliminate any coverage in a homeowner's insurance policy unless it mails or delivers to the insured, at the address shown in the policy, at least 60 days advance notice of its intention. The notice must contain the specific underwriting or other reason or reasons for the indicated action.

Sec. 3. Minnesota Statutes 1982, section 65A.29, is amended by adding a subdivision to read:

Subd. 8. [RULES.] The commissioner may adopt rules pursuant to chapter 14, to specify the grounds for nonrenewal, reduction in limits of coverage, or elimination of coverage of a homeowner's policy. The rules must limit the grounds to the following factors:

(a) reasons stated for cancellation in section 65A.01, subdivision 3a;

(b) reasons stated in section 72A.20, subdivision 13;

(c) insured's loss experience, not to include natural causes; and

(d) other factors deemed reasonable by the commissioner.

The rules may give consideration to the form and content of the termination notice to the insured, a statement as to what constitutes receipt of the termination notice, and the procedure by which the insured may appeal a termination notice.

The rules adopted under this subdivision may provide for imposition of a monetary penalty not greater than \$500 per occurrence upon insurers who are found to be in violation of the law or the rules.

Sec. 4. Minnesota Statutes 1982, section 65A.29, is amended by adding a subdivision to read:

Subd. 9. [NOTICE OF RIGHT TO COMPLAIN.] A named insured who believes a nonrenewal, reduction in the limits of coverage, elimination of coverage, or cancellation under section 65A.01, subdivision 3a, is in violation of the law or the rules may, within 30 days after receipt of the notice, file in writing an objection to the action with the commissioner.

Upon receipt of a written objection, the commissioner shall notify the insurer of receipt of the objection and of the right of the insurer to file a written response within ten days of receipt of the notification. Within 30 days of receipt of written objection by an insured, the commissioner shall approve or disapprove the insurer's action and shall notify the insured and insurer of his final decision. A decision which disapproves the insurer's action constitutes a charge that the insurer has violated the law or the rules. Either party may institute proceedings for judicial review of the commissioner's decision. The commissioner's decision is binding pending judicial review.

Sec. 5. Minnesota Statutes 1982, section 65B.44, subdivision 5, is amended to read:

Subd. 5. [REPLACEMENT SERVICE AND LOSS.] Replacement service loss benefits shall reimburse all expenses reasonably incurred by or on behalf of the nonfatally injured person in obtaining usual and necessary substitute services in lieu of those that, had he not been injured, the injured person would have performed not for income but for the direct benefit of himself or his household; if the nonfatally injured person normally, as a full time responsibility, provides care and maintenance of a home with or without children, the benefit to be provided under this subdivision shall be the reasonable value of such care and maintenance or the reasonable expenses incurred in obtaining usual and necessary substitute care and maintenance of the home, whichever is greater. These benefits shall be subject to a maximum of (\$15) \$200 per (DAY) week. All replacement services loss sustained on the date of injury and the first seven days thereafter is excluded in calculating replacement services loss.

Sec. 6. [REPEALER.]

Minnesota Statutes 1982, section 65A.29, subdivision 2, is repealed."

Delete the title and insert:

"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; increasing replacement service loss benefits in no-fault auto insurance; amending Minnesota Statutes 1982, sections 61A.39; 65A.29, by adding subdivisions; and 65B.44, subdivision 5; repealing Minnesota Statutes 1982, section 65A.29, subdivision 2."

We request adoption of this report and repassage of the bill.

Senate Conferees: DONNA C. PETERSON, ERIC D. PETTY and WILLIAM V. BELANGER, JR.

House Conferees: PHILLIP J. RIVENESS, JOE QUINN and GERALD C. KNICKERBOCKER.

Riveness moved that the report of the Conference Committee on S. F. No. 1810 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 1810, 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 third time, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 127 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Blatz	Clawson	Evans	Gutknecht
Anderson, C.	Boo	Coleman	Findlay	Halberg
Anderson, R.	Brandl	Dempsey	Fjoslien	Haukoos
Battaglia	Brinkman	DenOuden	Forsythe	Heap
Beard	Burger	Dimler	Frerichs	Heinitz
Begich	Carlson, D.	Eken	Graba	Himle
Bennett	Carlson, L.	Elioff	Greenfield	Hoffman
Bergstrom	Clark, J.	Ellingson	Gruenes	Hokr
Bishop	Clark, K.	Erickson	Gustafson	Jacobs

Jensen	McKasy	Piepho	Schreiber	Uphus
Johnson	Metzen	Piper	Seaberg	Valan
Kahn	Minne	Price	Segal	Valento
Kalis	Munger	Quinn	Shaver	Vanasek
Kelly	Murphy	Quist	Shea	Vellenga
Knuth	Nelson, D.	Reif	Sherman	Waltman
Kostohryz	Nelson, K.	Rice	Simoneau	Welch
Krueger	Neuenschwander	Riveness	Skoglund	Welker
Kvam	Norton	Rodosovich	Solberg	Welle
Larsen	O'Connor	Rodriguez, C.	Sparby	Wenzel
Levi	Ogren	Rodriguez, F.	Stadum	Wigley
Long	Omamm	Rose	Staten	Wynia
Ludeman	Onnen	St. Onge	Sviggum	Zaffke
Mann	Osthoff	Sarna	Swanson	Speaker Sieben
Marsh	Otis	Schafer	Thiede	
McDonald	Pauly	Scheid	Tomlinson	
McEachern	Peterson	Schoenfeld	Tunheim	

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

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

S. F. No. 1511.

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. 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.

April 17, 1984

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. 1511, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendment and that S. F. No. 1511 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1983 Supplement, section 272.02, subdivision 1, is amended to read:

Subdivision 1. Except as provided in other subdivisions of this section or in section 272.025 or section 273.13, subdivisions 17, 17b, 17c or 17d, all property described in this section to the extent herein limited shall be exempt from taxation:

- (1) All public burying grounds;
- (2) All public schoolhouses;
- (3) All public hospitals;
- (4) All academies, colleges, and universities, and all seminaries of learning;
- (5) All churches, church property, and houses of worship;
- (6) Institutions of purely public charity except property assessed pursuant to section 273.13, subdivisions 17, 17b, 17c or 17d;
- (7) All public property exclusively used for any public purpose;
- (8) (a) Class 2 property of every household of the value of \$100, maintained in the principal place of residence of the owner thereof. The county auditor shall deduct the exemption from the total valuation of the property as equalized by the commissioner of revenue assessed to the household, and extend the levy of taxes upon the remainder only. The term "household" as used in this section is defined to be a domestic establishment maintained either (1) by two or more persons living together within the same house or place of abode, subsisting in common and constituting a domestic or family relationship, or (2) by one person.

(b) During the period of his active service and for six months after his discharge therefrom, no member of the armed forces of the United States shall lose status of a householder under paragraph (a) which he had immediately prior to becoming a member of the armed forces.

In case there is an assessment against more than one member of a household the \$100 exemption shall be divided among the members assessed in the proportion that the assessed value of the Class 2 property of each bears to the total assessed value of the Class 2 property of all the members assessed. The Class

2 property of each household claimed to be exempt shall be limited to property in one taxing district, except in cases where a single domestic establishment is maintained in two or more adjoining districts.

Bonds, certificates of indebtedness, or other obligations issued by the state of Minnesota, or by any county or city of the state, or any town, or any common or independent school district of the state, or any governmental board of the state are exempt from ad valorem property taxation; provided, that this subdivision shall not exempt the obligations or their interest from any excise or other tax levied on income, gross earnings, estates, inheritance, bequests, gifts, transfers, sales, or other transactions, other than an ad valorem property tax.

(9) Farm machinery manufactured prior to 1930, which is used only for display purposes as a collectors item;

(10) The taxpayer shall be exempted with respect to all agricultural products, inventories, stocks of merchandise of all sorts, all materials, parts and supplies, furniture and equipment, manufacturers material, manufactured articles including the inventories of manufacturers, wholesalers, retailers and contractors; and the furnishings of a room or apartment in a hotel, rooming house, tourist court, motel or trailer camp, tools and machinery which by law are considered as personal property, and the property described in section 272.03, subdivision 1, clause (c), except personal property which is part of an electric generating, transmission, or distribution system or a pipeline system transporting or distributing water, gas, or petroleum products or mains and pipes used in the distribution of steam or hot or chilled water for heating or cooling buildings and structures. Railroad docks and wharves which are part of the operating property of a railroad company as defined in section 270.80 are not exempt.

(11) Containers of a kind customarily in the possession of the consumer during the consumption of commodities, the sale of which are subject to tax under the provisions of the excise tax imposed by chapter 297A;

(12) All livestock, poultry, all horses, mules and other animals used exclusively for agricultural purposes;

(13) All agricultural tools, implements and machinery used by the owners in any agricultural pursuit.

(14) Real and personal property used primarily for the abatement and control of air, water, or land pollution to the extent that it is so used, other than real property used primarily as a solid waste disposal site.

Any taxpayer requesting exemption of all or a portion of any equipment or device, or part thereof, operated primarily for the control or abatement of air or water pollution shall file an application with the commissioner of revenue. The equipment or device shall meet standards, regulations or criteria prescribed by the Minnesota Pollution Control Agency, and must be installed or operated in accordance with a permit or order issued by that agency. The Minnesota Pollution Control Agency shall upon request of the commissioner furnish information or advice to the commissioner. If the commissioner determines that property qualifies for exemption, he shall issue an order exempting the property from taxation. The equipment or device shall continue to be exempt from taxation as long as the permit issued by the Minnesota Pollution Control Agency remains in effect.

(15) **Wetlands.** For purposes of this subdivision, "wetlands" means land which is mostly under water, produces little if any income, and has no use except for wildlife or water conservation purposes. "Wetlands" shall be land preserved in its natural condition, drainage of which would be legal, feasible, and economically practical for the production of livestock, dairy animals, poultry, fruit, vegetables, forage and grains, except wild rice. "Wetlands" shall include adjacent land which is not suitable for agricultural purposes due to the presence of the wetlands. "Wetlands" shall not include woody swamps containing shrubs or trees, wet meadows, meandered water, streams, rivers, and floodplains or river bottoms. Exemption of wetlands from taxation pursuant to this section shall not grant the public any additional or greater right of access to the wetlands or diminish any right of ownership to the wetlands.

(16) **Native prairie.** The commissioner of the department of natural resources shall determine lands in the state which are native prairie and shall notify the county assessor of each county in which the lands are located. Pasture land used for livestock grazing purposes shall not be considered native prairie for the purposes of this clause and section 273.116. Upon receipt of an application for the exemption and credit provided in this clause and section 273.116 for lands for which the assessor has no determination from the commissioner of natural resources, the assessor shall refer the application to the commissioner of natural resources who shall determine within 30 days whether the land is native prairie and notify the county assessor of his decision. Exemption of native prairie pursuant to this clause shall not grant the public any additional or greater right of access to the native prairie or diminish any right of ownership to it.

(17) **Property used in a continuous program to provide emergency shelter for victims of domestic abuse,** provided the organization that owns and sponsors the shelter is exempt from federal income taxation pursuant to section 501(c)(3) of the Internal Revenue Code of 1954, as amended through December 31, 1982, notwithstanding the fact that the sponsoring organiza-

tion receives funding under section 8 of the United States Housing Act of 1937, as amended.

(18) If approved by the governing body of the municipality in which the property is located, property not exceeding one acre which is owned and operated by 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; provided the property is used primarily as a clubhouse, meeting facility or recreational facility by the group or association and the property is not used for residential purposes on either a temporary or permanent basis.

(19) To the extent provided by section 295.44, real and personal property used or to be used primarily for the production of hydroelectric or hydromechanical power on a site owned by the state or a local governmental unit which is developed and operated pursuant to the provisions of section 105.482, subdivisions 1, 8 and 9.

(20) If approved by the governing body of the municipality in which the property is located, a direct satellite broadcasting facility or fixed satellite regional or national program service facility, construction of which is commenced after June 30, 1983, for a period not to exceed five years. When the facility no longer qualifies for exemption, it shall be placed on the assessment rolls as provided in subdivision 4. As used in this clause, a "direct satellite broadcasting facility" is a facility operated by a corporation licensed by the federal communications commission to provide direct satellite broadcasting services using direct broadcast satellites operating in the 12-ghz. band and a "fixed satellite regional or national program service facility" is a facility operated by a corporation licensed by the federal communications commission to provide fixed satellite-transmitted regularly scheduled broadcasting services using satellites operating in the 6-ghz. band. Before approving a tax exemption pursuant to this paragraph, the governing body of the municipality shall provide an opportunity to the members of the county board of commissioners of the county in which the facility is proposed to be located and the members of the school board of the school district in which the facility is proposed to be located to meet with the governing body. The governing body shall present to the members of those boards its estimate of the fiscal impact of the proposed property tax exemption. The tax exemption shall 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 has passed from the date of the transmittal by the governing body to the board of the information on the fiscal impact, whichever occurs first.

(21) If approved by the governing body of the municipality in which the property is located, a facility construction of which

is commercial after June 30, 1983, at which a licensed Minnesota manufacturer produces distilled spirituous liquors, liqueurs, cordials, or liquors designated as specialties regardless of alcoholic content, but not including ethyl alcohol, distilled with a majority of the ingredients grown or produced in Minnesota, for a period not to exceed five years. When the facility no longer qualifies for exemption, it shall be placed on the assessment rolls as provided in subdivision 4. Before approving a tax exemption pursuant to this paragraph, the governing body of the municipality shall provide an opportunity to the members of the county board of commissioners of the county in which the facility is proposed to be located and the members of the school board of the school district in which the facility is proposed to be located to meet with the governing body. The governing body shall present to the members of those boards its estimate of the fiscal impact of the proposed property tax exemption. The tax exemption shall 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 has passed from the date of the transmittal by the governing body to the board of the information on the fiscal impact, whichever occurs first.

(22) Real and personal property owned and operated by a private, nonprofit corporation exempt from federal income taxation pursuant to United States Code, title 26, section 501(c)(3), primarily used in the generation and distribution of hot water for heating buildings and structures.

Sec. 2. Minnesota Statutes 1982, section 272.02, subdivision 5, is amended to read:

Subd. 5. The holding of property by a political subdivision of the state for later resale for economic development purposes shall be considered a public purpose in accordance with subdivision 1, clause (7) for a period not to exceed (THREE) eight years. *The holding of property by a political subdivision of the state for later resale (1) which is purchased or held for housing purposes, or (2) which meets the conditions described in section 273.73, subdivision 10, shall be considered a public purpose in accordance with subdivision 1, clause (7). The governing body of the political subdivision which acquires property which is subject to this subdivision shall after the purchase of the property certify to the city or county assessor whether the property is held for economic development purposes or housing purposes, or whether it meets the conditions of section 273.73, subdivision 10. If the property is acquired for economic development purposes and buildings or other improvements are constructed after acquisition of the property, and if more than one-half of the floor space of the buildings or improvements which is available for lease to or use by a private individual, corporation, or other entity is leased to or otherwise used by a private individual, corporation, or other entity the provisions of this subdivision shall not apply to the property. This subdivision shall not operate to*

create an exemption from sections 272.01, subdivision 2; 272.68; 273.19; or 462.575, subdivision 3; or other provision of law providing for the taxation of or for payments in lieu of taxes for publicly held property which is leased, loaned, or otherwise made available and used by a private person. (THIS SECTION IS EFFECTIVE FOR TAXES LEVIED IN 1979 AND THEREAFTER, AND PAYABLE IN 1980 AND THEREAFTER.)

Sec. 3. 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 all materials, including chemicals, fuels, petroleum products, lubricants, packaging materials, including returnable containers used in packaging food and beverage products, feeds, seeds, fertilizers, electricity, gas and steam, used or consumed in agricultural or industrial production of personal property intended to be sold ultimately at retail, whether or not the item so used becomes an ingredient or constituent part of the property produced. Such production shall include, but is not limited to, research, development, design or production of any tangible personal property, manufacturing, processing (other than by restaurants and consumers) of agricultural products whether vegetable or animal, commercial fishing, refining, smelting, reducing, brewing, distilling, printing, mining, quarrying, lumbering, generating electricity and the production of road building materials. Such production shall not include painting, cleaning, repairing or similar processing of property except as part of the original manufacturing process. Machinery, equipment, implements, tools, accessories, appliances, contrivances, furniture and fixtures, used in such production and fuel, electricity, gas or steam used for space heating or lighting, are not included within this exemption; however, accessory tools, equipment and other short lived items, which are separate detachable units used in producing a direct effect upon the product, where such items have an ordinary useful life of less than 12 months, are included within the exemption provided herein;

(i) The gross receipts from the sale of and storage, use or other consumption in Minnesota of tangible personal property (except as provided in section 297A.14) which is used or consumed in producing any publication regularly issued at average intervals not exceeding three months, and any such publication. For purposes of this subsection, "publication" as used herein shall include, without limiting the foregoing, a legal newspaper as defined by Minnesota Statutes 1965, section 331.02, and any sup-

plements 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 taconite, the material of which primarily is added to and becomes a part of the material being processed.

(p) The gross receipts from the sale of tangible personal property to, and the storage, use or other consumption of such property by, any corporation, society, association, foundation, or institution organized and operated exclusively for charitable, religious or educational purposes if the property purchased is to be used in the performance of charitable, religious or educational functions, or any senior citizen group or association of groups that in general limits membership to persons age 55 or older and is organized and operated exclusively for pleasure, recreation and other nonprofit purposes, no part of the net earnings of which inures to the benefit of any private shareholders. 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.

Sec. 4. Minnesota Statutes 1982, section 429.021, subdivision 1, is amended to read:

Subdivision 1. [IMPROVEMENTS AUTHORIZED.] The council of a municipality shall have power to make the following improvements:

(1) To acquire, open, and widen any street, and to improve the same by constructing, reconstructing, and maintaining sidewalks, pavement, gutters, curbs, and vehicle parking strips of any material, or by grading, graveling, oiling, or otherwise improving the same, including the beautification thereof and including storm sewers or other street drainage and connections from sewer, water or similar mains to curb lines.

(2) To acquire, develop, construct, reconstruct, extend and maintain storm and sanitary sewers and systems, including outlets, holding areas and ponds, treatment plants, pumps, lift stations, service connections, and other appurtenances of a sewer system, within and without the corporate limits.

(3) To construct, reconstruct, extend and maintain steam heating mains.

(4) To install, replace, extend and maintain street lights and street lighting systems and special lighting systems.

(5) To acquire, improve, construct, reconstruct, extend and maintain water works systems, including mains, valves, hydrants, service connections, wells, pumps, reservoirs, tanks, treatment plants, and other appurtenances of a water works system, within and without the corporate limits.

(6) To acquire, improve and equip parks, open space areas, playgrounds and recreational facilities within or without the corporate limits.

(7) To plant trees on streets and provide for their trimming, care and removal.

(8) To abate nuisances and to drain swamps, marshes and ponds on public or private property and to fill the same.

(9) To construct, reconstruct, extend, and maintain dikes and other flood control works.

(10) To construct, reconstruct, extend and maintain retaining walls and area walls.

(11) To acquire, construct, reconstruct, improve, alter, extend, operate, maintain and promote a pedestrian skyway system. *Such improvement may be made upon a petition pursuant to section 429.031, subdivision 3.*

(12) To acquire, construct, reconstruct, extend, operate, maintain and promote underground pedestrian concourses.

(13) To acquire, construct, improve, alter, extend, operate, maintain and promote public malls, plazas or courtyards.

(14) To construct, reconstruct, extend, and maintain district heating systems.

(15) *To construct, reconstruct, alter, extend, operate, maintain and promote fire protection systems in existing buildings, but only upon a petition pursuant to section 429.031, subdivision 3.*

Sec. 5. 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 or a pedestrian skyway 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 or pedestrian skyway system. In the case of a petition for the installation of a fire protection or pedestrian skyway system which will be privately owned, the petition shall also contain the plans and specifications for the improvement, the estimated cost of the improvement and a statement indicating whether the city or the owner will contract for the construction of the improvement. If the owner is contracting for the construction of the improvement, the city shall not approve the petition until it has reviewed and approved the plans, specifications, and cost estimates contained in the petition. The construction cost financed under section 429.091 shall not exceed the amount of the cost estimate contained in the petition. In the case of a petition for the installation of a fire protection or a pedestrian skyway system, the petitioner may request abandonment of the improvement at any time after it has been ordered pursuant to subdivision 1 and before contracts have been awarded for the construction of the improvement under section 429.041, subdivision 2. If such a request is received, the city council shall abandon the proceedings but in such case the petitioner shall reimburse the city for any and all expenses incurred by the city in connection with the improvement.*

Sec. 6. Minnesota Statutes 1982, section 429.091, subdivision 2, is amended to read:

Subd. 2. [TYPES OF OBLIGATIONS PERMITTED.] The council may by resolution adopted prior to the sale of obligations pledge the full faith, credit, and taxing power of the municipality for the payment of the principal and interest. Such obligations shall be called improvement bonds and the council shall pay the principal and interest out of any fund of the municipality when the amount credited to the specified fund is insufficient for the purpose and shall each year levy a sufficient amount to take care of accumulated or anticipated deficiencies, which levy shall not be subject to any statutory or charter tax limitation. Obligations for the payment of which the full faith and credit of the municipality is not pledged shall be called improvement warrants or, *in the case of bonds for fire protection or pedestrian skyway systems, revenue bonds* and shall contain a promise to pay solely out of the proper special fund or funds pledged to their payment. It shall be the duty of the municipal treasurer to pay maturing principal and interest on warrants or revenue bonds out of funds on hand in the proper (SPECIAL FUND) funds and not otherwise.

Sec. 7. Minnesota Statutes 1982, section 429.101, subdivision 1, is amended to read:

Subdivision 1. [ORDINANCES.] In addition to any other method authorized by law or charter, the governing body of any municipality may provide for the collection of unpaid special charges for all or any part of the cost of

- (a) snow, ice, or rubbish removal from sidewalks,
- (b) weed elimination from streets or private property,
- (c) removal or elimination of public health or safety hazards from private property, excluding any structure included under the provisions of sections 463.15 to 463.26,
- (d) installation or repair of water service lines, street sprinkling or other dust treatment of streets,
- (e) the trimming and care of trees and the removal of unsound trees from any street,
- (f) the treatment and removal of insect infested or diseased trees on private property, the repair of sidewalks and alleys,
(OR)
- (g) the operation of a street lighting system, or
- (h) the operation and maintenance of a fire protection or a pedestrian skyway system,

as a special assessment against the property benefited. The council may by ordinance adopt regulations consistent with this section to make this authority effective, including, at the option of the council, provisions for placing primary responsibility upon the property owner or occupant to do the work himself (except in the case of street sprinkling or other dust treatment, alley repair, tree trimming, care, and removal or the operation of a street lighting system) upon notice before the work is undertaken, and for collection from the property owner or other person served of the charges when due before unpaid charges are made a special assessment.

Sec. 8. 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. 9. [EXEMPTION.]

Notwithstanding the provisions of Minnesota Statutes, section 473.556, subdivision 6, or any other law, real property conveyed to the port authority of the city of Bloomington by the metropolitan sports facilities commission shall be exempt from taxation as provided in Minnesota Statutes, sections 473.556, subdivision 4; and 459.192, subdivision 2.

Sec. 10. [EFFECTIVE DATE.]

Section 1 is effective for taxes levied in 1983 and thereafter and payable in 1984 and thereafter. Section 2 is effective for taxes levied in 1979 and thereafter and for taxes payable in 1980 and thereafter. Section 9 is effective upon compliance by the governing body of the city of Bloomington with Minnesota Statutes, section 645.021, subdivision 3."

Delete the title and insert:

"A bill for an act relating to public finance; modifying the tax exemption for property held by political subdivisions; providing a tax exemption for certain real and personal property; authorizing the levy of special assessments or service charges for fire protection and pedestrian skyway systems; amending Minnesota Statutes 1982, sections 272.02, subdivision 5; 429.021, subdivision 1; 429.031, subdivision 3; 429.091, subdivision 2; and 429.101, subdivision 1; and Minnesota Statutes 1983 Supplement,

sections 272.02, subdivision 1; and 297A.25, subdivision 1; and Laws 1979, chapter 189, section 2."

We request adoption of this report and repassage of the bill.

Senate Conferees: ERIC D. PETTY, MICHAEL O. FREEMAN and RANDY P. KAMRATH.

House Conferees: LINDA SCHEID, RANDY C. KELLY and TOM OSTHOFF.

Scheid moved that the report of the Conference Committee on S. F. No. 1511 be adopted and that the bill be repassed as amended by the Conference Committee. 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 third time, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 108 yeas and 11 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Ellingson	Krueger	Otis	Shea
Anderson, G.	Evans	Larsen	Pauly	Sherman
Anderson, R.	Findlay	Levi	Peterson	Simoneau
Battaglia	Fjoslien	Long	Piepho	Skoglund
Beard	Forsythe	Mann	Piper	Solberg
Begich	Greenfield	Marsh	Price	Sparby
Bennett	Gruenes	McEachern	Quinn	Staten
Bergstrom	Gustafson	McKasy	Quist	Sviggum
Blatz	Gutknecht	Metzen	Reif	Swanson
Boo	Halberg	Minne	Rice	Tomlinson
Brandl	Heap	Munger	Riveness	Tunheim
Brinkman	Heinitz	Murphy	Rodosovich	Valan
Burger	Himle	Nelson, D.	Rodriguez, C.	Vanasek
Carlson, D.	Hoffman	Nelson, K.	Rodriguez, F.	Vellenga
Carlson, L.	Hokr	Neuenschwander	Rose	Waltman
Clark, J.	Jacobs	Norton	St. Onge	Welch
Cohen	Jensen	O'Connor	Sarna	Welle
Coleman	Johnson	Ogren	Scheid	Wenzel
Dempsey	Kahn	Olsen	Schoenfeld	Wynia
Dimler	Kalis	Omamm	Seaberg	Speaker Sieben
Eken	Knuth	Onnen	Segal	
Elioff	Kostohryz	Osthoff	Shaver	

Those who voted in the negative were:

DenOuden	Haukoos	Ludeman	Thiede	Welker
Erickson	Jennings	Schafer	Valento	Zaffke
Frerichs				

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

SPECIAL ORDERS

S. F. No. 1469, A bill for an act relating to workers' compensation; providing coverage for certain employees of the University of Minnesota and for ambulance drivers and attendants; amending Minnesota Statutes 1983 Supplement, section 176.011, subdivision 9.

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

The question was taken on the passage of the bill and the roll was called. There were 117 yeas and 2 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Pauly Zaffke

The bill was passed and its title agreed to.

S. F. No. 1826, A bill for an act relating to state government; specifying authority of the governor; 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 third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 119 yeas and 6 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Dimler	Ludeman	McDonald	Thiede	Welker
Frerichs				

The bill was passed and its title agreed to.

S. F. No. 1978 was reported to the House.

Knuth moved to amend S. F. No. 1978, as follows:

Page 2, line 29, before "The" insert "After conducting hearings in communities affected by airport noise,"

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 24 yeas and 85 nays as follows:

Those who voted in the affirmative were:

Brandl	Kelly	Nelson, K.	Quinn	Tomlinson
Clark, J.	Knuth	Norton	Riveness	Voss
Clawson	Krueger	O'Connor	Seaberg	Welle
Ellingson	Larsen	Pauly	Skoglund	Wynia
Greenfield	Long	Price	Solberg	

Those who voted in the negative were:

Anderson, B.	Anderson, R.	Begich	Blatz	Brinkman
Anderson, C.	Battaglia	Bennett	Boo	Burger

Carlson, D.	Haukoos	McDonald	Redalen	Simoneau
Carlson, L.	Heap	McEachern	Reif	Sviggum
Coleman	Himle	McKasy	Rice	Swanson
Dempsey	Hokr	Metzen	Rodosovich	Thiede
DenOuden	Jacobs	Minne	Rodriguez, C.	Uphus
Dimler	Jennings	Munger	Rodriguez, F.	Valan
Eken	Jensen	Murphy	Rose	Valento
Elioff	Johnson	Neuenschwander	St. Onge	Vanasek
Evans	Kalis	Ogren	Sarna	Waltman
Findlay	Kostohryz	Olsen	Schafer	Welch
Fjoslien	Kvam	Omann	Schoenfeld	Welker
Forsythe	Levi	Onnen	Schreiber	Wenzel
Gruenes	Ludeman	Osthoff	Segal	Wigley
Gutknecht	Mann	Otis	Shea	Zaffke
Halberg	Marsh	Piepho	Sherman	Speaker Sieben

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

Knuth moved to amend S. F. No. 1978, as follows:

Page 1, line 21, after the period insert "*The legislative auditor may conduct program evaluations and financial audits of the commission.*"

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

Skoglund moved to amend S. F. No. 1978, as follows:

Page 1, line 11, after "plans" insert "*, as defined by the council,*"

Page 2, line 8, strike "such"

Page 2, line 8, after "which" insert "*exceeds the amounts prescribed herein or which*"

Page 3, line 1, after "*legislature*" insert a period and delete the remainder of the line

Page 3, delete line 2

Page 3, line 4, after "1985" insert a period and delete the remainder of the line

Page 3, delete line 5

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 15 yeas and 98 nays as follows:

Those who voted in the affirmative were:

Brandl	Heinitz	Larsen	Quist	Skoglund
Clawson	Kahn	Long	Rivenness	Voss
Greenfield	Knuth	Quinn	Schreiber	Zafike

Those who voted in the negative were:

Anderson, B.	Ellingson	Kelly	Olsen	Solberg
Anderson, G.	Erickson	Kostolryz	Omann	Sparby
Anderson, R.	Evans	Krueger	Osthoff	Staten
Battaglia	Findlay	Kvam	Otis	Sviggum
Beard	Fjoslien	Levi	Piepho	Swanson
Begich	Forsythe	Ludeman	Piper	Thiede
Bennett	Frerichs	Mann	Reif	Tomlinson
Bergstrom	Graba	Marsh	Rice	Tunheim
Blatz	Gruenes	McDonald	Rodosovich	Uphus
Boo	Gustafson	McEachern	Rodriguez, C.	Valan
Brinkman	Gutknecht	McKasy	Rodriguez, F.	Valento
Burger	Halberg	Metzen	Rose	Vanasek
Carlson, D.	Haukoos	Minne	St. Onge	Waltman
Carlson, L.	Himle	Murphy	Sarna	Welker
Coleman	Hoffman	Nelson, D.	Schafer	Welle
Dempsey	Hokr	Nelson, K.	Seaberg	Wenzel
DenOuden	Jacobs	Neuenschwander	Segal	Wigley
Dimler	Jennings	Norton	Shaver	Speaker Sieben
Eken	Johnson	O'Connor	Sherman	
Elioff	Kalis	Ogren	Simoneau	

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

Skoglund moved to amend S. F. No. 1978, as follows:

Page 2, lines 11 to 27, delete Section 4

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

Skoglund moved to amend S. F. No. 1978, as follows:

Page 2, line 5, delete "other"

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

S. F. No. 1978, A bill for an act relating to the metropolitan airports commission; defining its relationship to the legislature and the metropolitan council; amending Minnesota Statutes 1982, sections 473.611, subdivision 5; 473.621, subdivision 6, and by adding subdivisions.

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

The question was taken on the passage of the bill and the roll was called. There were 101 yeas and 18 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Evans	Kostohryz	Onnen	Shaver
Anderson, G.	Findlay	Krueger	Osthoff	Sherman
Anderson, R.	Fjoslien	Kvam	Otis	Simoneau
Battaglia	Forstye	Levi	Pauly	Solberg
Beard	Frerichs	Ludeman	Piepho	Sparby
Begich	Graba	Mann	Piper	Sviggum
Bennett	Gruenes	Marsh	Price	Swanson
Bergstrom	Gustafson	McDonald	Redalen	Thiede
Bishop	Gutknecht	McEachern	Rice	Tunheim
Blatz	Halberg	McKasy	Rodosovich	Uphus
Boo	Haukoos	Metzen	Rodriguez, C.	Valan
Brinkman	Heap	Minne	Rodriguez, F.	Valento
Burger	Heinitz	Munger	Rose	Waltman
Carlson, D.	Himle	Murphy	St. Onge	Walker
Carlson, L.	Hoffman	Nelson, D.	Sarna	Wenzel
Dempsey	Hokr	Neuenschwander	Schafer	Wigley
DenOuden	Jacobs	Norton	Scheid	Speaker Sieben
Dimler	Jennings	O'Connor	Schoenfeld	
Elioff	Jensen	Ogren	Schreiber	
Ellingson	Johnson	Olsen	Seaberg	
Erickson	Kalis	Omann	Segal	

Those who voted in the negative were:

Brandl	Greenfield	Long	Skoglund	Welch
Clark, J.	Kahn	Quinn	Tomlinson	Wynia
Clawson	Knuth	Quist	Voss	Zaffke
Coleman	Larsen	Riveness		

The bill was passed and its title agreed to.

H. F. No. 1686 was reported to the House.

Rose and Osthoff moved to amend H. F. No. 1686, the second engrossment, as follows:

Page 1, line 9 to page 3, line 17, delete Section 1 from the bill

Renumber the remaining section

Amend the title as follows:

Page 1, line 2, delete "disposition of stray animals;"

Page 1, line 3, delete "amending"

Page 1, delete line 4

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 93 yeas and 17 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Evans	Knickerbocker	Osthoff	Sparby
Battaglia	Findlay	Kostohryz	Otis	Stadum
Beard	Forsythe	Kvam	Piper	Swiggum
Begich	Frerichs	Larsen	Price	Swanson
Bennett	Graba	Levi	Quinn	Thiede
Bergstrom	Greenfield	Ludeman	Quist	Tunheim
Bishop	Gruenes	Marsh	Redalen	Uphus
Blatz	Gutknecht	McEachern	Reif	Valan
Boo	Halberg	McKasy	Rodriguez, F.	Valento
Brandl	Haukoos	Metzen	Rose	Vanasek
Brinkman	Heap	Minne	Sarna	Waltman
Burger	Himle	Nelson, D.	Schafer	Welker
Carlson, D.	Hokr	Nelson, K.	Scheid	Weinzel
Carlson, L.	Jacobs	Neuenschwander	Schoenfeld	Wigley
Clark, J.	Jennings	Norton	Schreiber	Wynia
Cohen	Jensen	O'Connor	Shea	Zaffke
DenOuden	Johnson	Ogren	Sherman	Speaker Sieben
Eken	Kahn	Olsen	Simoneau	
Erickson	Kalis	Omann	Solberg	

Those who voted in the negative were:

Clawson	Ellingson	Hoffman	Murphy	St. Onge
Coleman	Fjoslien	Kelly	Piepho	Tomlinson
Dempsey	Gustafson	Mann	Rodosovich	Welch
Elioff	Heinitz			

The motion prevailed and the amendment was adopted.

H. F. No. 1686, A bill for an act relating to animals; protecting leader dogs; imposing penalties; proposing new law coded in Minnesota Statutes 1982, chapter 347.

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

The question was taken on the passage of the bill and the roll was called: There were 121 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Anderson, B.	Clawson	Gruenes	Kostohryz	Norton
Anderson, C.	Cohen	Gustafson	Kvam	O'Connor
Anderson, R.	Coleman	Gutknecht	Larsen	Ogren
Battaglia	Dempsey	Halberg	Levi	Olsen
Beard	DenOuden	Haukoos	Long	Omann
Begich	Dimler	Heap	Ludeman	Onnen
Bennett	Eken	Heinitz	Mann	Osthoff
Bergstrom	Elioff	Himle	Marsh	Otis
Bishop	Ellingson	Hoffman	McEachern	Pauly
Blatz	Erickson	Hokr	McKasy	Peterson
Boo	Evans	Jacobs	Metzen	Piepho
Brinkman	Findlay	Jensen	Minne	Piper
Burger	Fjoslien	Johnson	Munger	Price
Carlson, D.	Forsythe	Kalis	Murphy	Quinn
Carlson, L.	Frerichs	Kelly	Nelson, D.	Quist
Clark, J.	Graba	Knickerbocker	Nelson, K.	Redalen
Clark, K.	Greenfield	Knuth	Neuenschwander	Reif

Rice	Schoenfeld	Sparby	Valento	Wigley
Rodosovich	Schreiber	Stadum	Vanasek	Wynia
Rodriguez, F.	Segal	Sviggum	Vellenga	Zaffke
Rose	Shaver	Swanson	Waltman	Speaker Sieben
St. Onge	Shea	Thiede	Welch	
Sarna	Sherman	Tunheim	Welker	
Schafer	Simoneau	Uphus	Welle	
Scheid	Solberg	Valan	Wenzel	

Those who voted in the negative were:

Brandl

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

H. F. No. 2154 was reported to the House.

Clawson moved that H. F. No. 2154 be returned to its author. The motion prevailed.

Eken moved that the House recess subject to the call of the Chair. The motion prevailed.

RECESS

RECONVENED

The House reconvened and was called to order by the Speaker.

MESSAGES FROM THE SENATE, Continued

The following messages were received from the Senate:

Mr. Speaker:

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

H. F. No. 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.

PATRICK E. FLAHAVEN, Secretary of the Senate

Rice moved that the House refuse to concur in the Senate amendments to H. F. No. 1257, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

The following conference committee report was received:

CONFERENCE COMMITTEE REPORT ON H. F. NO. 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, subdivi-

sion 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.

April 19, 1984

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

The Honorable Jerome M. Hughes
President of the Senate

We, the undersigned conferees for H. F. No. 2016, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments and that H. F. No. 2016 be further amended as follows:

Delete everything after the enacting clause and insert:

"ARTICLE 1

BUDGET RESERVE

Section 1. Minnesota Statutes 1983 Supplement, section 16A.15, subdivision 6, is amended to read:

Subd. 6. [BUDGET RESERVE ACCOUNT.] *A budget reserve account is created in the general fund in the state treasury. The commissioner of finance on July 1, 1983, shall transfer \$250,000,000 to (A) the 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. The amounts transferred shall remain in the budget reserve account until expended under subdivision 1.*

ARTICLE 2

INCOME TAX

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.*

A minor 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 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; *provided that an individual on whose behalf stock worth less than \$300 is contributed during the taxable year to a tax credit employee stock ownership plan that satisfies the requirements of sections 44G and 409A of the Internal Revenue Code of 1954 shall not be required, as a consequence of that contribution, to include contributions to another plan or account in gross income under this clause to the extent the contributions do not exceed the difference between the value of the stock contributed during the taxable year and \$1,500; 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, *provided that employee contributions to police and fire relief associations that previously were not included within gross income as contributions to organizations qualified under section 501(c)(4) of the Internal Revenue Code of 1954 shall not be included in gross income under this clause.*

Sec. 4. 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 7;*

(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. 5. 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 candi-

date, 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. A "federal office" means the office of the president or vice president of the United States or the office of United States senator or congressman from Minnesota.

This credit shall be allowed only if the contribution is verified in the manner the commissioner of revenue shall prescribe.

Sec. 6. 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 except the credit provided in section 290.068. 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 completed 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. 7. 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

(A) social security benefits,

(B) railroad retirement benefits, and

(C) 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.

(4) Pension income consisting of severance pay qualifies only for the exclusion computed according to paragraph (a), clause (1).

(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" is the federal adjusted gross income referred to in section 290.01, subdivision 20, for the current taxable year, and 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

(A) 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,

(B) 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

(C) 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. 8. 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) \$650 for each dependent in grades K to 6 and (\$700) \$1,000 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.

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."

(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. *For taxable years beginning after December 31, 1984, the \$30,000 amount in this subdivision shall be adjusted for inflation in the manner provided in section 290.06, subdivision 2d. The commissioner shall round that amount to the nearest hundred dollar amount. When adjusting the amount for inflation, the commissioner shall use the actual dollar amount of the maximum allowable amount of nonfarm income prior to rounding. Carryback or carryover deductions will be subject to the maximum amount in effect for the year to which the deduction is carried.*

(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. 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. 11. 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. However, when intoxicating liquor, wine, fermented malt beverages, cigarettes, or tobacco products are sold to a purchaser who is licensed by a state or political subdivision to resell this property only within the state of ultimate destination, the sale is made in that state. Tangible personal property delivered to a common or contract carrier or foreign vessel for delivery to a purchaser in another state or nation is a sale in that state or nation, regardless of f.o.b. point or other conditions of the sale.

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. 12. Minnesota Statutes 1982, section 290.61, is amended to read:

290.61 [PUBLICITY OF RETURNS, INFORMATION.]

It shall be unlawful for the commissioner or any other public official or employee to divulge or otherwise make known in any manner any particulars set forth or disclosed in any report or return required by this chapter, or any information concerning the taxpayer's affairs acquired from his or its records, officers, or employees while examining or auditing any taxpayer's liability for taxes imposed hereunder, except in connection with a proceeding involving taxes due under this chapter from the taxpayer making such return or to comply with the provisions of sections 290.612 and 302A.821. The commissioner may furnish a copy of any taxpayer's return to any official of the United States or of any state having duties to perform in respect to the assessment or collection of any tax imposed upon or measured by income, if such taxpayer is required by the laws of the United States or of such state to make a return therein. The commissioner may disclose information from withholding tax returns received from the taxpayer to the Minnesota department of economic security for purposes of auditing unemployment tax. Prior to the release of any information to any official of the United States or any other state or the department of economic security under the provisions of this section, the person to whom the information is to be released shall sign an agreement which provides that he will protect the confidentiality of the returns and information revealed thereby to the extent that it is protected

under the laws of the state of Minnesota. The commissioner and all other public officials and employees shall keep and maintain the same secrecy in respect to any information furnished by any department, commission, or official of the United States or of any other state in respect to the income of any person as is required by this section in respect to information concerning the affairs of taxpayers under this chapter. Nothing herein contained shall be construed to prohibit the commissioner from publishing statistics so classified as not to disclose the identity of particular returns or reports and the items thereof. Upon request of a majority of the members of the senate tax committee or of the house tax committee or the tax study commission, the commissioner shall furnish abstracted financial information to those committees for research purposes from returns or reports filed pursuant to this chapter, provided that he shall not disclose the name, address, social security number, business identification number or any other item of information associated with any return or report which the commissioner believes is likely to identify the taxpayer. The commissioner shall not furnish the actual return, or a portion thereof, or a reproduction or copy of any return or portion thereof. "Abstracted financial information" means only the dollar amounts set forth on each line on the form including the filing status.

Any person violating the provisions of this section shall be guilty of a gross misdemeanor.

In order to locate the named payee on state warrants issued pursuant to this chapter or chapter 290A and undeliverable by the United States postal service, the commissioner may publish in any English language newspaper of general circulation in this state a list of the name and last known address of the payee as shown on the reports or returns filed with the commissioner. The commissioner may exclude the names of payees whose refunds are in an amount which is less than a minimal amount to be determined by the commissioner. The published list shall not contain any particulars set forth on any report or return. The publication shall include instructions on claiming the warrants.

An employee of the department of revenue may, in connection with his official duties relating to any audit, collection activity, or civil or criminal tax investigation or any other offense under this chapter, disclose return information to the extent that such disclosure is necessary in obtaining information, which is not otherwise reasonably available, with respect to the correct determination of tax, liability for tax, or the amount to be collected or with respect to the enforcement of any other provision of this chapter.

In order to facilitate processing of returns and payments of taxes required by this chapter, the commissioner may contract with outside vendors and may disclose private and nonpublic

data to the vendor. The data disclosed will be administered by the vendor consistent with this section.

Information from a tax return required under this chapter on a holder of a license issued by the Minnesota racing commission or an owner of a horse may be provided by the commissioner to the Minnesota racing commission.

Sec. 13. 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) ten 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. 14. Minnesota Statutes 1983 Supplement, section 290.92, subdivision 28, is amended to read:

Subd. 28. Any holder of a class A or B license issued by the Minnesota (HORSE) racing commission who makes a payment to a holder of a class C license issued by the commission, (OR WHO PAYS) *except* an amount *paid* as a purse, shall deduct from the payment and withhold seven percent of the amount as Minnesota withholding tax when the amount paid to that individual during the calendar year exceeds (\$200) \$600. For purposes of the provisions of this section, a payment to any person

which is subject to withholding under this subdivision 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 which is subject to withholding under this subdivision 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. No withholding is required if the individual presents a signed certificate from his employer which states that the individual is an employee of that employer. A nonresident individual who holds a class C license must be treated as an athlete for purposes of applying the provisions of sections 290.17, subdivision 2(1)(b)(ii) and 290.92, subdivision 4a.

Sec. 15. [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. 16. Laws 1983, chapter 342, article 1, section 44, is amended to read:

Sec. 44. [REPEALER.]

Minnesota Statutes 1982, sections 290.01, subdivisions 23, 27, and 28; 290.032, subdivision 5; 290.06, subdivisions 9 and 9a; 290.077, subdivision 2; 290.08, subdivision 25; 290.09, subdivisions 10, 15, 22, and 27; 290.21, subdivision 3a; 290.501; and 352C.07; and Laws 1982, (CHAPTER 523, ARTICLE VII, SECTION 3, AND) Third Special Session chapter 1, article 5, section 4, are repealed.

Sec. 17. [REPEALER.]

Minnesota Statutes 1983 Supplement, section 290.06, subdivision 2e, and Laws 1983, chapter 342, article 1, section 8, are repealed.

Sec. 18. [EFFECTIVE DATE.]

Sections 1, 5, 10, 11, 17, and the amendment to clause (19) in section 3 are effective for taxable years beginning after December 31, 1983, and, to the extent applicable, for property tax refund claims based on rent paid in 1984 and thereafter and property taxes payable in 1985 and thereafter. Sections 2 and 12 to 14 are effective the day following final enactment. Sections 4, 6, 7, and 8 are effective for taxable years beginning after December 31, 1984. In section 16, Laws 1982, chapter 523, article VII, section 3, is reenacted and effective the day following final enactment of this act for taxable years beginning after December 31, 1983. The amendment to clause (20) in section 3 is effective for taxable years beginning after December 31, 1982.

ARTICLE 3

PROPERTY TAX

Section 1. Minnesota Statutes 1982, section 105.482, subdivision 8, is amended to read:

Subd. 8. [HYDROPOWER GENERATION POLICY; LEASING OF DAMS AND DAM SITES.] Consistent with laws relating to dam construction, reconstruction, repair, and mainte-

nance, the legislature finds that the public health, safety, and welfare of the state is also promoted by the use of state waters to produce hydroelectric or hydromechanical power. Further, the legislature finds that the leasing of existing dams and potential dam sites primarily for such power generation is a valid public purpose. A local governmental unit, or the commissioner of natural resources with the approval of the state executive council, may provide pursuant to a lease or development agreement for the development and operation of dams, dam sites, and hydroelectric or hydromechanical power generation plants owned by the respective government by an individual, a corporation, an organization, or other legal entity upon such terms and conditions as the local governmental unit or the commissioner may negotiate for a period not to exceed (50) 99 years. *For installations of 15,000 kilowatts or less at a dam site and reservoir that is not being used on January 1, 1984 in connection with the production of hydroelectric or hydromechanical power, the lease or development agreement negotiated by the local governmental unit and the developer shall constitute full payment by the lessee and may be in lieu of all real or personal property taxes that might otherwise be due to a local governmental unit.* If the dam, dam site, or power generation plant is located in or contiguous to a city or town, other than the lessor governmental unit, the lease or agreement shall not be effective unless it is approved by the governing body of (SUCH) the city or town. For purposes of this subdivision, city means a statutory or home rule charter city.

Sec. 2. Minnesota Statutes 1982, section 105.482, subdivision 9, is amended to read:

Subd. 9. [CONTENTS OF DEVELOPMENT AGREEMENT.] An agreement for the development or redevelopment of a hydropower site may contain, but need not be limited to, the following provisions:

(a) Length of the development agreement, subject to negotiations between the parties but not more than (50) 99 years, and conditions for extension, modification, or termination;

(b) Provisions for a performance bond on the developer, or, certification that the equipment and its installation have a design life at least as long as the lease;

(c) Provisions to assure adequate maintenance and safety in the impoundment structures, if any, and to assure access to recreational sites, if any.

Sec. 3. 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, 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) 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. 4. Minnesota Statutes 1983 Supplement, section 272.02, subdivision 1, is amended to read:

Subdivision 1. Except as provided in other subdivisions of this section or in section 272.025 or section 273.13, subdivisions 17, 17b, 17c or 17d, all property described in this section to the extent herein limited shall be exempt from taxation:

- (1) All public burying grounds;
- (2) All public schoolhouses;

- (3) All public hospitals;
- (4) All academies, colleges, and universities, and all seminaries of learning;
- (5) All churches, church property, and houses of worship;
- (6) Institutions of purely public charity except *parcels of property containing structures and the structures* assessed pursuant to section 273.13, subdivisions 17, 17b, 17c or 17d;
- (7) All public property exclusively used for any public purpose;
- (8) (a) Class 2 property of every household of the value of \$100, maintained in the principal place of residence of the owner thereof. The county auditor shall deduct the exemption from the total valuation of the property as equalized by the commissioner of revenue assessed to the household, and extend the levy of taxes upon the remainder only. The term "household" as used in this section is defined to be a domestic establishment maintained either (1) by two or more persons living together within the same house or place of abode, subsisting in common and constituting a domestic or family relationship, or (2) by one person.

(b) During the period of his active service and for six months after his discharge therefrom, no member of the armed forces of the United States shall lose status of a householder under paragraph (a) which he had immediately prior to becoming a member of the armed forces.

In case there is an assessment against more than one member of a household the \$100 exemption shall be divided among the members assessed in the proportion that the assessed value of the Class 2 property of each bears to the total assessed value of the Class 2 property of all the members assessed. The Class 2 property of each household claimed to be exempt shall be limited to property in one taxing district, except in cases where a single domestic establishment is maintained in two or more adjoining districts.

Bonds, certificates of indebtedness, or other obligations issued by the state of Minnesota, or by any county or city of the state, or any town, or any common or independent school district of the state, or any governmental board of the state are exempt from ad valorem property taxation; provided, that this subdivision shall not exempt the obligations or their interest from any excise or other tax levied on income, gross earnings, estates, inheritance, bequests, gifts, transfers, sales, or other transactions, other than an ad valorem property tax.

(9) Farm machinery manufactured prior to 1930, which is used only for display purposes as a collectors item;

(10) The taxpayer shall be exempted with respect to all agricultural products, inventories, stocks of merchandise of all sorts, all materials, parts and supplies, furniture and equipment, manufacturers material, manufactured articles including the inventories of manufacturers, wholesalers, retailers and contractors; and the furnishings of a room or apartment in a hotel, rooming house, tourist court, motel or trailer camp, tools and machinery which by law are considered as personal property, and the property described in section 272.03, subdivision 1, clause (c), except personal property which is part of an electric generating, transmission, or distribution system or a pipeline system transporting or distributing water, gas, or petroleum products or mains and pipes used in the distribution of steam or hot or chilled water for heating or cooling buildings and structures. Railroad docks and wharves which are part of the operating property of a railroad company as defined in section 270.80 are not exempt.

(11) Containers of a kind customarily in the possession of the consumer during the consumption of commodities, the sale of which are subject to tax under the provisions of the excise tax imposed by chapter 297A;

(12) All livestock, poultry, all horses, mules and other animals used exclusively for agricultural purposes;

(13) All agricultural tools, implements and machinery used by the owners in any agricultural pursuit.

(14) Real and personal property used primarily for the abatement and control of air, water, or land pollution to the extent that it is so used, other than real property used primarily as a solid waste disposal site.

Any taxpayer requesting exemption of all or a portion of any equipment or device, or part thereof, operated primarily for the control or abatement of air or water pollution shall file an application with the commissioner of revenue. The equipment or device shall meet standards, regulations or criteria prescribed by the Minnesota Pollution Control Agency, and must be installed or operated in accordance with a permit or order issued by that agency. The Minnesota Pollution Control Agency shall upon request of the commissioner furnish information or advice to the commissioner. If the commissioner determines that property qualifies for exemption, he shall issue an order exempting the property from taxation. The equipment or device shall continue to be exempt from taxation as long as the permit issued by the Minnesota Pollution Control Agency remains in effect.

(15) Wetlands. For purposes of this subdivision, "wetlands" means (1) land described in section 105.37, subdivision 15, or

(2) land which is mostly under water, produces little if any income, and has no use except for wildlife or water conservation purposes (. "WETLANDS" SHALL BE LAND), *provided it is preserved in its natural condition (,) and drainage of (WHICH) it would be legal, feasible, and economically practical for the production of livestock, dairy animals, poultry, fruit, vegetables, forage and grains, except wild rice.* "Wetlands" shall include adjacent land which is not suitable for agricultural purposes due to the presence of the wetlands. "Wetlands" shall not include woody swamps containing shrubs or trees, wet meadows, meandered water, streams, rivers, and floodplains or river bottoms. Exemption of wetlands from taxation pursuant to this section shall not grant the public any additional or greater right of access to the wetlands or diminish any right of ownership to the wetlands.

(16) Native prairie. The commissioner of the department of natural resources shall determine lands in the state which are native prairie and shall notify the county assessor of each county in which the lands are located. Pasture land used for livestock grazing purposes shall not be considered native prairie for the purposes of this clause and section 273.116. Upon receipt of an application for the exemption and credit provided in this clause and section 273.116 for lands for which the assessor has no determination from the commissioner of natural resources, the assessor shall refer the application to the commissioner of natural resources who shall determine within 30 days whether the land is native prairie and notify the county assessor of his decision. Exemption of native prairie pursuant to this clause shall not grant the public any additional or greater right of access to the native prairie or diminish any right of ownership to it.

(17) Property used in a continuous program to provide emergency shelter for victims of domestic abuse, provided the organization that owns and sponsors the shelter is exempt from federal income taxation pursuant to section 501(c)(3) of the Internal Revenue Code of 1954, as amended through December 31, 1982, notwithstanding the fact that the sponsoring organization receives funding under section 8 of the United States Housing Act of 1937, as amended.

(18) If approved by the governing body of the municipality in which the property is located, property not exceeding one acre which is owned and operated by 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; provided the property is used primarily as a clubhouse, meeting facility or recreational facility by the group or association and the property is not used for residential purposes on either a temporary or permanent basis.

(19) To the extent provided by section 295.44, real and personal property used or to be used primarily for the production of hydroelectric or hydromechanical power on a site owned by the state or a local governmental unit which is developed and operated pursuant to the provisions of section 105.482, subdivisions 1, 8 and 9.

(20) If approved by the governing body of the municipality in which the property is located, a direct satellite broadcasting facility or fixed satellite regional or national program service facility, construction of which is commenced after June 30, 1983, for a period not to exceed five years. When the facility no longer qualifies for exemption, it shall be placed on the assessment rolls as provided in subdivision 4. As used in this clause, a "direct satellite broadcasting facility" is a facility operated by a corporation licensed by the federal communications commission to provide direct satellite broadcasting services using direct broadcast satellites operating in the 12-ghz. band and a "fixed satellite regional or national program service facility" is a facility operated by a corporation licensed by the federal communications commission to provide fixed satellite-transmitted regularly scheduled broadcasting services using satellites operating in the 6-ghz. band. Before approving a tax exemption pursuant to this paragraph, the governing body of the municipality shall provide an opportunity to the members of the county board of commissioners of the county in which the facility is proposed to be located and the members of the school board of the school district in which the facility is proposed to be located to meet with the governing body. The governing body shall present to the members of those boards its estimate of the fiscal impact of the proposed property tax exemption. The tax exemption shall 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 has passed from the date of the transmittal by the governing body to the board of the information on the fiscal impact, whichever occurs first.

(21) If approved by the governing body of the municipality in which the property is located, a facility construction of which is commercial after June 30, 1983, at which a licensed Minnesota manufacturer produces distilled spirituous liquors, liqueurs, cordials, or liquors designated as specialties regardless of alcoholic content, but not including ethyl alcohol, distilled with a majority of the ingredients grown or produced in Minnesota, for a period not to exceed five years. When the facility no longer qualifies for exemption, it shall be placed on the assessment rolls as provided in subdivision 4. Before approving a tax exemption pursuant to this paragraph, the governing body of the municipality shall provide an opportunity to the members of the county board of commissioners of the county in which the facility is proposed to be located and the members of the school board of the school district in which the facility is proposed to be located to meet with the governing body. The governing body shall

present to the members of those boards its estimate of the fiscal impact of the proposed property tax exemption. The tax exemption shall 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 has 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. 5. Minnesota Statutes 1982, section 272.02, is amended by adding a subdivision to read:

Subd. 6. Notwithstanding the provisions of subdivision 5, real and personal property used or to be used primarily for the production of hydroelectric or hydromechanical power and leased from the state or a local governmental unit pursuant to section 105.482, subdivisions 1, 8, and 9 may be exempt from taxation or payments in lieu of taxes.

The exemption from taxation or payments in lieu of taxes provided by this subdivision does not apply to hydroelectric or hydromechanical facilities operated at any time between January 1, 1980 and January 1, 1984.

Sec. 6. 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 it 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. 7. 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;

(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. 8. 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;

(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 of which 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. 9. 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) 28 percent of the first (\$50,000) \$60,000 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) 28 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) 28 per cent 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. 10. 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 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 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 unless (1) construction or substantial rehabilitation of the structure had been commenced prior to January 1, 1984; or (2) the project had been approved by the governing body of the municipality in which it is located prior to June 30, 1983; or (3) financing of the project had been approved by a federal or state agency prior to June 30, 1983.

Sec. 11. 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 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 percent of its market value, but only in proportion to its occupancy by elderly persons or low and moderate income families as defined above *unless* (1) construction of the structure had been commenced prior to January 1, 1984; or (2) the project had been approved by the governing body of the municipality in which it is located prior to June 30, 1983; or (3) financing of the project had been approved by a federal or state agency prior to June 30, 1983.

Sec. 12. 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 defined 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 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 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 *unless* (1) *construction of the structure had been commenced prior to January 1, 1984; or* (2) *the project had been approved by the governing body of the municipality in which it is located prior to June 30, 1983; or* (3) *financing of the project had been approved by a federal or state agency prior to June 30, 1983.*

Sec. 13. 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. 14. Minnesota Statutes 1983 Supplement, section 273.13, subdivision 21, is amended to read:

Subd. 21. [LIMITATION ON HOMESTEAD CLASSIFICATION.] *If the assessor has classified a property as both homestead and nonhomestead, (ONLY) the (VALUES) greater of the value attributable to the portion of the property classified as 3b, 3c, or 3cc or the value of the first tier of assessment percentages provided under those subdivisions shall be entitled to homestead treatment, 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.*

If the assessor has classified a 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. 15. Minnesota Statutes 1982, section 273.19, is amended by adding a subdivision to read:

Subd. 5. *Notwithstanding the provisions of subdivision 4, real and personal property used or to be used primarily for the production of hydroelectric or hydromechanical power and leased from the state or a local governmental unit pursuant to section 105.482, subdivisions 1, 8, and 9 may be exempt from taxation or payments in lieu of taxes.*

The exemption from taxation or payments in lieu of taxes provided by this subdivision does not apply to hydroelectric or hydromechanical facilities operated at any time between January 1, 1980 and January 1, 1984.

Sec. 16. 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, township or municipality and school district shall be separately stated but the amounts due other taxing districts, if any, may be aggregated. The dollar amounts 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 statement shall include the following sentence, printed in upper case letters in bold face print: "THE STATE OF MINNESOTA DOES NOT RECEIVE ANY PROPERTY TAX REVENUES. THE STATE OF MINNESOTA REDUCES YOUR PROPERTY TAX BY PAYING CREDITS AND REIMBURSEMENTS TO LOCAL UNITS OF GOVERNMENT."* 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. 17. Minnesota Statutes 1983 Supplement, section 279.01, subdivision 1, is amended to read:

Subdivision 1. On May 16, of each year, with respect to property actually occupied and used as a homestead by the owner of the property, a penalty of three percent shall accrue and thereafter be charged upon all unpaid taxes on real estate on the current lists in the hands of the county treasurer, and a penalty of seven percent on nonhomestead property, *except that this penalty shall not accrue until June 1 of each year on commercial use real property used for seasonal residential recreational purposes and classified as class 3 or 3a, and on other commercial use real property classified as class 4c, provided that over 60 percent of the gross income earned by the enterprise on the class 4c property is earned during the months of May, June, July, and August. Any property owner of such class 4c property who pays the first half of the tax due on the property after May 15 and before June 1 shall attach an affidavit to his payment attesting to compliance with the income provision of this subdivision.* Thereafter, for both homestead and nonhomestead property, on the 16th day of each month, up to and including October 16 following, an additional penalty of one percent for each month shall accrue and be charged on all such unpaid taxes. When the taxes against any tract or lot exceed \$10, one-half thereof may be paid prior to May 16; and, if so paid, no penalty shall attach; the remaining one-half shall be paid at any time prior to October 16 following, without penalty; but, if not so paid, then a penalty of four percent shall accrue thereon for homestead property and a penalty of four percent on nonhomestead property. Thereafter, for homestead property, on the 16th day of each month up to and including December 16 following, an additional penalty of two percent for each month shall accrue and be charged on all such unpaid taxes. Thereafter, for nonhomestead property, on the 16th day of each month up to and including December 16 following, an additional penalty of four percent for each month shall accrue and be charged on all such unpaid taxes. If one-half of such taxes shall not be paid prior to May 16, the same may be paid at any time prior to October 16, with accrued penalties to the date of payment added, and thereupon no penalty shall attach to the remaining one-half until October 16 following; provided, also, that the same may be paid in installments as follows: One-fourth prior to March 16; one-fourth prior to May 16; one-fourth prior to August 16; and the remaining one-fourth prior to October 16, subject to the aforesaid penalties. Where the taxes delinquent after October 16 against any tract or parcel exceed \$40, they may be paid in installments of not less than 25 percent thereof, together with all accrued penalties and costs, up to the next tax judgment sale, and after such payment, penalties, interest, and costs shall accrue only on the sum remaining unpaid. Any county treasurer who shall make out and deliver or countersign any receipt for any such taxes without including all of the foregoing penalties therein, shall be liable to the county for the amount of such penalties.

Sec. 18. Minnesota Statutes 1982, section 279.37, subdivision 1, is amended to read:

Subdivision 1. [COMPOSITION INTO ONE ITEM.] Delinquent taxes upon any parcel of real estate which have been bid in for and are held by the state and not assigned by it, may be composed into one item or amount by confession of judgment at any time prior to the forfeiture of (SUCH) *the* parcel of land to the state for taxes, for the aggregate amount of all (SUCH) *the* taxes, costs, penalties, and interest accrued against (SAID) *the* parcel, as hereinafter provided; (PROVIDED) *except* that (ONLY) taxes upon property which, for the previous year's assessment, was classified as (HOMESTEAD PROPERTY PURSUANT TO SECTION 273.13, SUBDIVISIONS 6, 6a, 7, AND 14A) *vacant land, mineral property, employment property, or commercial or industrial property* shall not be eligible to be composed into any confession of judgment pursuant to this section.

Sec. 19. Minnesota Statutes 1982, section 279.37, subdivision 3, is amended to read:

Subd. 3. Upon the receipt of (SAID) *the* offer and payment of the (SUMS HEREIN) *sum*. required, the (SAID) auditor shall *notify the county board of the offer. If the county board approves the offer, the auditor shall note (THE SAME) it* upon his records and shall (FORTHWITH) file (SAID) *the* offer and confession of judgment with the clerk of the district court of the county who is (HEREBY) directed to enter judgment in accordance with (SAID) *the* offer. *If the county board does not approve the offer within 30 days of its notification by the county auditor, confession of judgment will not be allowed for the property, and the amount remitted pursuant to subdivision 2 shall be returned to the payor.*

Sec. 20. [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.

Sec. 21. 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 refund 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. 22. Minnesota Statutes 1983 Supplement, section 290A.04, subdivision 2f, is amended to read:

Subd. 2f. If the net property taxes payable in 1984 on a homestead increases more than ten percent over the net property taxes payable in 1983 on the same property, and if the effective tax rate of property tax paid in 1983 on that homestead as compared to the January 2, 1982, estimated market value exceeds 2.25 percent, and additional credit shall be paid by the commis-

sioner to the claimant. The additional credit shall be equal to 50 percent of the amount by which the increase exceeds ten percent (BUT IN NO CASE SHALL THE ADDITIONAL CREDIT EXCEED \$200). This subdivision shall not apply to any increase in the net property taxes payable attributable to improvements made to the homestead.

For purposes of this subdivision, "effective tax rate" means the net property tax paid by the claimant in 1983, divided by the assessor's 1982 estimated market value times 100.

For purposes of this subdivision, "net property taxes" means the gross tax less the homestead credit and any other state paid credit and after the deduction of tax refund amounts for which the claimant qualifies.

The city assessor, or the county assessor if the property is located in a taxing district which does not have a city assessor, shall notify all affected property owners of the availability of this credit and furnish the forms which the commissioner shall prescribe.

The additional refunds shall be paid at the same time as the commissioner pays other property tax refund claims.

Sec. 23. 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 in 1985 increase more than 12.5 percent over the net property taxes payable in 1984 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 12.5 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.

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. 24. Minnesota Statutes 1982, section 295.44, subdivision 1, is amended to read:

Subdivision 1. [EXEMPTION.] Notwithstanding the provisions of sections 272.01, subdivision 2, 272.02, subdivision 5, and 273.19, subdivision 1, real or personal property used or to be used primarily for the production of hydroelectric or hydro-mechanical power on a site owned by the state or a local governmental unit and developed and operated pursuant to section 105.482, subdivisions 1, 8 and 9 (SHALL) *may* be exempt from property taxation for (THE FIVE CALENDAR YEARS SUCCEEDING THE YEAR IN WHICH THE DEVELOPMENT AGREEMENT IS EXECUTED) *all years during which the site is developed and operated under the terms of a lease or agreement authorized by section 105.482, subdivisions 1, 8, and 9.*

Sec. 25. Minnesota Statutes 1983 Supplement, section 473.446, subdivision 1, is amended to read:

Subdivision 1. [TAXATION WITHIN TRANSIT TAXING DISTRICT.] For the purposes of sections 473.401 to 473.451 and the metropolitan transit system, except as otherwise provided in this subdivision the metropolitan transit commission shall levy each year upon all taxable property within the metropolitan transit taxing district, defined in subdivision 2, a transit tax consisting of:

(a) An amount up to two mills times the assessed value of all such property, based upon the level of transit service provided for the property, the proceeds of which shall be used for payment of the expenses of operating transit and paratransit service;

(b) An additional amount, if any, as the commission determines to be necessary to provide for the full and timely payment of its certificates of indebtedness and other obligations outstanding on July 1, 1977, to which property taxes under this section have been pledged; and

(c) An additional amount necessary to provide full and timely payment of certificates of indebtedness, bonds, or other obligations issued or to be issued pursuant to section 473.436 for purposes of acquisition and betterment of property and other improvements of a capital nature and to which the commission has specifically pledged tax levies under this clause.

The county auditor shall reduce the tax levied pursuant to this subdivision on all property within cities or towns that receive full peak service and limited off-peak service by an amount equal to the tax levy that would be produced by applying a rate of 0.5

mills on the property. The county auditor shall reduce the tax levied pursuant to this subdivision on all property within cities, or towns that receive limited peak service by an amount equal to the tax levy that would be produced by applying a rate of .075 mills on the property. The amounts so computed by the county auditor shall be submitted to the commissioner of revenue as part of the abstracts of tax lists required to be filed with the commissioner under section 275.29. Any prior year adjustments shall also be certified in the abstracts of tax lists. The commissioner 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 commissioner shall pay to the regional transit board the amounts certified by the county auditors on the dates provided in section 273.13, subdivision 15a, clause (3). There is annually appropriated from the general fund in the state treasury to the department of revenue the amounts necessary to make these payments in fiscal year 1985 and thereafter.

For the purposes of this subdivision, "full peak and limited off-peak service" means peak period service plus weekday mid-day service with a frequency of more than 60 minutes on the route with the greatest frequency; and "limited peak period service" means peak period service only.

Sec. 26. 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. 27. [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. 28. [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. 29. [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. 30. [COMPUTATION; REFUNDS.]

An additional credit shall be allowed to owners of all property subject to the \$2,000 agricultural aid credit maximum imposed by Laws 1983, chapter 342, article 2, section 1. The county auditor shall determine the amount of credit to be allowed by re-computing the property tax for taxes payable in 1984 on this property, reducing the tax by the rates set by Minnesota Statutes 1983 Supplement, section 124.2137, subdivision 1. The difference so computed, not to exceed \$2,000, shall be allowed as an additional credit against the property taxes payable in 1984. Amended statements shall be mailed to the affected taxpayers by May 11, 1984. The statements shall contain the information re-

quired 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 certify the additional agricultural aid amounts pursuant to this section to the commissioner of revenue by the time and in the form determined by the commissioner. 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 \$5 for each revised statement for the administrative expenses incurred as a result of the recomputations pursuant to this section. The commissioner of revenue shall review the certifications to determine their accuracy. He may make changes in the certification 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 treasurer or 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 county treasurer or 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.

Refunds paid under this section do not include interest.

If the county treasurer or 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. Additional credits payable under this section may be designated as state school agriculture credit on the tax statements, but for distribution purposes, the credit shall be distributed to all taxing districts in the same manner and the same proportion as taxes paid by the taxpayer for the property.

Sec. 31. [PAYMENT; PENALTIES.]

Section 30 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 30.

Sec. 32. [PROPERTY TAX REFUNDS.]

For purposes of Minnesota Statutes, section 290A.03, subdivision 13, "property taxes payable" means property taxes as re-

computed under section 30. 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. 33. [APPROPRIATION.]

There is appropriated from the general fund to the commissioner of revenue the amount necessary to pay the county the amount by which the property taxes payable in 1984 as certified under section 30 are reduced and the fee for issuing the revised tax statements. Payment must be made not later than September 15, 1984.

Sec. 34. [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 Minnesota Statutes, section 375.192 and forward it to the commissioner. For purposes of this section, "homestead credit" means reductions paid pursuant to Minnesota Statutes, 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. The auditor shall also list the number of property tax statements which were revised as a result of the homestead credit adjustments. The commissioner shall reimburse the county \$5 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.

Sec. 35. [LEVY LIMIT ADJUSTMENT.]

If a governmental unit subject to the levy limitation provisions of Minnesota Statutes, sections 275.50 to 275.56 realizes savings in the form of reduced employer contributions to public pension

funds resulting from the enactment of S. F. No. 147 at the 1984 regular session, its levy limit base is permanently reduced, beginning with taxes payable in 1985, by twice the amount of savings realized during the period from July 1, 1984, to December 31, 1984, but only to the extent that the doubled amount exceeds the amount levied as a special levy pursuant to section 275.50, subdivision 5, clause (o), for taxes payable in 1984.

Sec. 36. [REPEALER.]

Minnesota Statutes 1982, section 295.44, subdivisions 2, 3, and 4 and Minnesota Statutes 1983 Supplement, section 273.11, subdivision 7, is repealed.

Sec. 37. [EFFECTIVE DATE.]

The increase in the agricultural aid maximum to \$4,000 in section 3 is effective for the 1983 assessment and thereafter, taxes payable 1984 and thereafter. The remainder of section 3 and sections 4, 6 to 14 and the portion of section 36 relating to Minnesota Statutes, section 273.11, subdivision 7, are effective for the 1984 assessment and thereafter, taxes payable in 1985 and thereafter. Sections 1, 2, 5, 15, 17 to 24, 26 to 34 and the portion of section 36 relating to Minnesota Statutes, section 295.44, subdivisions 2, 3, and 4 are effective the day after final enactment. Section 25 is effective in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington for taxes levied in 1985, payable in 1986, and thereafter, but is contingent upon the enactment of the reorganization of metropolitan transit governance in H. F. 2317.

ARTICLE 4

LOCAL GOVERNMENT AIDS

Section 1. [LOCAL GOVERNMENT AID RESTORATION.]

Subdivision 1. [ELIGIBLE AMOUNT.] For each town, statutory city, and home rule charter city in the state, the commissioner of revenue shall certify a supplemental aid amount equal to the difference, if any, between (a) its certified distribution for 1984 pursuant to Minnesota Statutes, sections 477A.011 to 477A.03, and (b) the amount that would have been certified had not the limitations of Minnesota Statutes, sections 477A.-0131, subdivision 2, and 477A.03, subdivision 2, been in effect.

Subd. 2. [TIME OF PAYMENTS.] Aid amounts determined pursuant to this section shall be distributed to affected cities in calendar year 1984 according to the payment schedule provided in Minnesota Statutes, section 477A.015. However, if a city is subject to levy limitation pursuant to Minnesota Statutes,

sections 275.50 to 275.56, and the amount distributed to it pursuant to this section exceeds the amount by which the city's levy limitation for taxes payable in 1984 exceeds its levy subject to limitation for taxes payable in 1984, the amount of that excess distribution shall be used to reduce the city's levy limitation for taxes payable in 1985 accordingly.

Subd. 3. [SUBSEQUENT YEARS.] For the purpose of aid distributions pursuant to Minnesota Statutes, sections 477A.011 to 477A.03 for 1985 and subsequent calendar years, aid amounts distributed according to the provisions of this section shall be considered as included in the definition of aids received in 1984 pursuant to Minnesota Statutes, sections 477A.011 to 477A.03.

Sec. 2. [HIGH-GROWTH ADJUSTMENT.]

Subdivision 1. [ELIGIBLE AMOUNT.] For any statutory 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 been allocated in the 1984 aid distribution, had the full amount of its then current population been used in the formula calculation for 1979 aids, with aids in the intervening years recalculated using the 1979 adjusted figures.

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 amount 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. 3. Minnesota Statutes 1983 supplement, section 477A.013, subdivision 1, is amended to read:

Subdivision 1. [TOWNS.] (IN EACH) (a) In 1984, each 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.

(b) In 1985 and each succeeding 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 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. 5. Minnesota Statutes 1983 Supplement, section 477A.-0131, subdivision 1, is amended to read:

Subdivision 1. (a) No home rule charter or statutory city shall receive a distribution in (ANY) calendar year 1985 pursuant to sections 477A.011 to 477A.03 that is less than the (SUM OF THE AMOUNTS) *amount certified in the previous calendar year pursuant to sections 477A.011 to 477A.03 (, SECTION 273.139, AND SECTION 273.138, BY MORE THAN AN AMOUNT EQUAL TO THREE-FOURTHS OF ONE MILL TIMES THE UNIT'S EQUALIZED ASSESSED VALUE).*

(b) *No home rule charter or statutory city shall receive a distribution in calendar year 1986 or any subsequent calendar year pursuant to sections 477A.011 to 477A.03 that is less than the amount certified in the previous calendar year pursuant to sections 477A.011 to 477A.03 by more than an amount equal to three-fourths of one mill times the city's equalized assessed value.*

Sec. 6. [LOCAL GOVERNMENT AIDS STUDY COMMISSION.]

A local government aids study commission consisting of 18 members is created. Nine members of the commission shall be members of the senate and appointed by the committee on committees. Nine members of the commission shall be members of the house of representatives and appointed by the speaker. The study commission shall elect a chairman from among its members and meetings of the commission will be held at the call of the chairman.

The purpose of the commission is to study the current funding and distribution of state aid to local units of government including school districts. The commission may do all things necessary and reasonable to conduct the study including holding meetings and soliciting testimony and information. The commission shall make specific recommendations on changes in the present state aid formula and shall report to the legislature and the governor its conclusions and recommendations by January 15, 1985. The commission shall expire on February 1, 1985. Expenses of the commission including per diem and expenses of commission members will be provided by the appointing authority.

Sec. 7. [APPROPRIATIONS.]

Subdivision 1. An amount sufficient to carry out the provisions of sections 1 and 3 is appropriated from the general fund to the commissioner of revenue.

Subd. 2. The sum of \$120,000 is appropriated from the general fund to the commissioner of revenue for the purpose of providing increased local government aid distributions under section 2. If this appropriation is not sufficient, aid amounts determined pursuant to section 2 shall be proportionately reduced.

Sec. 8. [REPEALER.]

Minnesota Statutes 1983 Supplement, sections 477A.0131, subdivision 2, and 477A.03, subdivision 2, are repealed.

Sec. 9. [EFFECTIVE DATE.]

Sections 1 to 4 and 6 to 8 are effective the day following final enactment. Section 5 is effective for distributions beginning with calendar year 1985.

ARTICLE 5

ECONOMIC DEVELOPMENT

Section 1. Minnesota Statutes 1983 Supplement, section 273.1312, subdivision 4, as amended by H. F. No. 1877, is amended to read:

Subd. 4. [ELIGIBILITY REQUIREMENTS.] An area is eligible for designation if the following requirements are met:

(a) The boundary of the zone or each subdivision of the zone is continuous and includes vacant or underutilized lands or buildings.

(b) The area of the zone is less than 400 acres. The total market value of the taxable property contained in the zone at the

time of application is less than \$100,000 per acre or \$300,000 per acre for an area located wholly within a first class city. A zone which is located in a city of the third or fourth class may be divided into two to four separate subdivisions which need not be contiguous with each other. Each subdivision must contain not less than 100 acres. The restrictions provided by this paragraph shall not apply to areas designated pursuant to paragraph (c), clause (2) or (3).

(c) (1) The proposed zone is located within an economic hardship area, as established by meeting two or more of the following criteria:

(A) the number of residential housing units within the area which are substandard is 15 percent or greater under criteria prescribed by the commissioner using data collected by the bureau of the census or data submitted by the municipality and approved by the commissioner;

(B) the percentage of households within the area that fall below the poverty level, as determined by the United States census bureau, is 20 percent or greater;

(C) (i) the total market value of commercial and industrial property in the area has declined over three of the preceding five years, or (ii) the total market value of all property in the area has declined or it has increased less than (TEN) 10.5 percent over the preceding three-year period;

(D) for the last full year for which data is available, the per capita income in the area was 90 percent or less of the per capita income for the state, excluding standard metropolitan statistical areas, or for the standard metropolitan statistical area if the area is located in a standard metropolitan statistical area;

(E) (i) the current rate of unemployment in the area is 120 percent of the statewide average unemployment for the last 12-month period for which verifiable figures are available, or (ii) the total number of employment positions has declined by ten percent during the last 18 months; or

(2) The area is so designated under federal legislation providing for federal tax benefits to investors, employers or employees in enterprise zones; or

(3) The area consists of a statutory or home rule charter city with a contiguous border with a city in another state or with a contiguous border with a city in Minnesota which has a contiguous border with a city in another state and the area is determined by the commissioner to be economically or fiscally distressed.

For purposes of this subdivision, an economic hardship area must have a population under the most recent federal decennial census of at least (i) 4,000 if any of the area is located wholly or

partly within a standard metropolitan statistical area, or (ii) 2,500 for an area located outside of a standard metropolitan statistical area, or (iii) no minimum in the case of an area located in an Indian reservation; except that, in the case of two or more cities seeking designation of an enterprise zone under a joint exercise of power pursuant to section 471.59, the minimum population required by this provision shall not exceed the sum of the populations of those cities.

Sec. 2. 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. 3. 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. 4. 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 amount of the municipality's local contribution and the number of businesses qualifying for or directly benefiting from the local contribution must be reported annually to the commissioner.*

Sec. 5. Minnesota Statutes 1983 Supplement, section 290.069, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] (a) "Small business assistance office" means a nonprofit corporation which is formed under chapter 317, is an exempt organization under section 501(c)(3) of the Internal Revenue Code, and satisfies the following conditions:

(1) The primary purpose of the corporation is to aid in the formation of new businesses which create jobs in the state by training or providing other direct assistance to entrepreneurs, managers, inventors, and other individuals in the development, financing, and operation of qualified small businesses.

(2) The corporation provides audited financial statements to all contributors and the commissioner of energy, planning, and development within 90 days following the close of the corporation's fiscal year.

(3) The corporation employs, at least, two full-time professional employees or the equivalent. *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.*

(4) The corporation is not engaged in providing financing or primarily engaged in arranging financing for businesses.

(5) The commissioner of energy (, PLANNING) and economic development certifies that the corporation satisfies the requirements of this paragraph for the calendar year.

(b) "Technology" means a proprietary process, formula, pattern, device, or compilation of scientific or technical information unless it

(1) is in the public domain; or

(2) cannot be accurately valued.

(c) "Controlled group of corporations" means the controlled group of corporations as defined in section 1563 of the Internal Revenue Code, and if the corporation is part of a unitary business, includes the corporations or entities constituting the unitary business which are not in the controlled group of corporations as defined in section 1563.

(d) An "innovation center public corporation" is a nonprofit public corporation located at a state university in Minnesota that has the purpose of assisting, encouraging, developing, and advancing the high technology small business prosperity and economic welfare of the state.

(e) The "Internal Revenue Code" means the Internal Revenue Code of 1954, as amended through January 15, 1983.

(f) "Qualified small business" means (A BUSINESS) an entity, whether organized as a corporation, partnership, or proprietorship, organized for profit (IF THE ENTITY:) that satisfies the following conditions.

(1) (HAS) *The entity had 20 or fewer employees and (HAS) had less than \$1,000,000 in gross annual receipts (;) in each of its three previous taxable years. The number of employees for purposes of this clause and clause (2) shall be determined on an annualized full-time equivalent basis.*

(2) *The entity is not a subsidiary or an affiliate of (A BUSINESS) an entity which employs more than 20 employees or (HAS) which had total gross receipts for the previous year*

of more than \$1,000,000, computed by aggregating all of the employees and gross receipts of the business entities affiliated with the business (;).

(3) *The entity has its commercial domicile in this state (;).*

(4) (DOES) *The entity did not derive more than 20 percent of its gross receipts from royalties, rents, dividends, interest, annuities, and sales or exchanges of stock or securities (;) in one or more of the three previous taxable years. Gross receipts from the sale of stock or securities shall be taken into account only to the extent of gains realized. If the business was not in operation for an entire year at the time of application for certification, this clause is not satisfied if the entity engages in or intends to engage in a trade or business producing or is likely to derive more than 20 percent of its gross receipts from rents, royalties, dividends, interest, annuities, and sales or exchanges of stock or securities. This clause does not apply to the first taxable year of the entity if the total amount of passive income for the year is less than \$3,000 or to a sole proprietor.*

(5) *The entity is not engaged in a trade or business, the primary purpose of which is described in section 103(b)(6)(O) of the Internal Revenue Code of 1954, as amended through January 15, 1983 (; AND).*

(6) (IS CERTIFIED BY) *The commissioner of energy (, PLANNING) and economic development certifies that (IT) the entity satisfies the requirements of clauses (1) to (5). An income tax return filed with the commissioner of energy and economic development in order to obtain a certification is nonpublic data or private data on individuals, whichever is applicable, as defined in section 13.02.*

A qualified small business does not include an entity engaged primarily in providing licensed professional services.

Sec. 6. Minnesota Statutes 1983 Supplement, section 290.069, subdivision 2, is amended to read:

Subd. 2. [TECHNOLOGY TRANSFER CREDIT.] A credit may be claimed against the taxes imposed by this chapter in an amount equal to 30 percent of the net value of the technology transferred to a qualified small business if the following conditions are satisfied:

(a) The commissioner certifies that the technology has the value claimed by the transferor taxpayer.

(b) The transferor taxpayer is the exclusive and undisputed owner of the technology at the time the transfer is made.

(c) Except as provided in paragraph (h), the transferor retains no proprietary or financial interest in the technology subsequent to its transfer to the qualified small business and no credit is claimed for the transfer of the technology in a prior or subsequent taxable year, except pursuant to the carryover provisions of subdivision 5.

(d) The credit shall apply only to the first \$1,000,000 of the net value of the technology transferred during the taxable year. The value of the technology shall not exceed the total qualified research expenses, as defined in section 290.068, subdivision 2, expended by the transferor to create or develop the technology. For purposes of this (CLAUSE) *paragraph*, "net value" means the total value of the technology less any payments received from the transferee and less the value of any equity interest in the transferee received by the transferor in exchange for the technology. For purposes of determining the value of the equity interest, the total value of the transferee shall be deemed to be not less than the value of the technology transferred, less any cash payment made to the transferor.

(e) The taxpayer has not deducted the value of the transferred property from income under any other provisions of this chapter, except that the costs of developing the technology may have been deducted as a business expense or depreciated or included in the computation of the research and experimental expenditure credit pursuant to section 290.068.

(f) The transferee business entity may not be a subsidiary or affiliate of the transferor taxpayer.

(g) The transferee makes a substantial investment in acquiring or developing the technology. The requirements of this clause are satisfied if *over a two-year period beginning not later than the date of the transfer* (1) the transferee pays the transferor an amount equal to 20 percent of the value of the technology in return for acquisition of the rights to the technology, or if (2) the transferee expends an equivalent amount for equipment, materials, wages, or other direct costs to develop, produce, or otherwise use the technology. The requirements of this paragraph may not be satisfied by granting the transferor an equity interest as provided by paragraph (h).

(h) The transferor may receive in exchange for the transfer of the technology an equity interest in the transferee, but this interest may not exceed 25 percent of the capital interest, if the transferee is a partnership, or 25 percent in value of the outstanding stock, if the transferee is a corporation. The transferor's basis in the equity interest shall be reduced by the amount of the credits received pursuant to this subdivision. The transferor may not deduct any loss realized on the sale or exchange of the equity interest.

(i) The maximum credit which is allowed for technology transferred during the taxable year is \$300,000. The maximum credit which is allowable for technology transferred during all taxable years to an entity or a related person to the transferee entity is \$300,000. A person is a related person to the entity if (i) the relationship would result in disallowance of losses under section 267 or 707(b) of the Internal Revenue Code or (ii) the person and the entity are members of the same controlled group or corporation.

The commissioner may require that the taxpayer obtain an appraisal of the value of the transferred technology by a reliable, expert third party. The disclosure to a third party appraiser of information necessary to make an appraisal shall not be subject to the provisions of section 290.61. The commissioner may promulgate administrative rules for appraising the value of transferred technology.

Sec. 7. Minnesota Statutes 1983 Supplement, section 290.069, is amended by adding a subdivision to read:

Subd. 2a. [RECAPTURE; TECHNOLOGY TRANSFER CREDIT.] (a) A corporation which receives a tax reduction pursuant to subdivision 2 shall repay to the commissioner an amount of the tax reduction as specified in paragraph (b) if any of the following conditions occur within a three-year period after the date of transfer of the technology.

- (1) The transferee ceases operations in Minnesota.
- (2) The transferee becomes a subsidiary or affiliate of the transferor.
- (3) The transferee sells, transfers, or otherwise disposes of the rights to technology.
- (4) The transferee fails to make the necessary payments or expenditures required by subdivision 2, paragraph (g).
- (5) The transferee grants an interest to the transferor in violation of subdivision 2, paragraph (h).

(b) The amount of the repayment is determined pursuant to the following schedule:

<i>Occurrence of event causing recapture</i>	<i>Repayment portion</i>
<i>Less than six months</i>	<i>100 percent</i>
<i>Six months or more but less than 12 months</i>	<i>83-1/3 percent</i>

<i>12 months or more but less than 18 months</i>	<i>66-2/3 percent</i>
<i>18 months or more but less than 24 months</i>	<i>50 percent</i>
<i>24 months or more but less than 30 months</i>	<i>33-1/3 percent</i>
<i>30 months or more but less than 36 months</i>	<i>16-2/3 percent</i>

Sec. 8. Minnesota Statutes 1983 Supplement, section 290.069, subdivision 4, is amended to read:

Subd. 4. [EQUITY INVESTMENT CREDIT.] (a) A credit shall be allowed against the tax imposed by this chapter for (THE TAXABLE YEAR IN AN AMOUNT EQUAL TO 30 PERCENT OF THE NET) investment (IN EXCESS OF \$25,000) in the equity stock of a qualified small business, *which is organized as a corporation.* (THE MAXIMUM AMOUNT OF THE CREDIT FOR A TAXABLE YEAR MAY NOT EXCEED \$75,000.) *The credit for the taxable year is the least of*

(1) *\$75,000, or*

(2) *30 percent of the sum of the following, computed for the investment in each qualified small business:*

(A) *The net investment made by the taxpayer during the taxable year in the equity stock of the qualified small business, less*

(B) *\$25,000; or*

(3) *75 percent of the taxpayer's tax liability computed after subtraction of all nonrefundable credits.*

(b) For purposes of this credit the following limitations apply:

(1) *Equity stock means common or preferred stock in the qualified small business, and shall not include any security (WHICH PROVIDES FOR FIXED OR VARIABLE INTEREST PAYMENTS) which would be treated as debt under section 385 of the Internal Revenue Code.*

(2) *The taxpayer and any related persons may not own more than 49 percent of the value of any class of stock. For purposes of this (PARAGRAPH) clause, a person is a related person to another person if (i) the relationship between the persons would result in a disallowance of losses under section 267 or 707(b) of the Internal Revenue Code of 1954 or (ii) the persons are members of the same controlled group of corporations. (THE RESTRICTIONS PROVIDED BY THIS SUBDIVISION SHALL*

APPLY FOR A THREE-YEAR PERIOD BEGINNING ON THE DATE THE STOCK IS PURCHASED. IF THE TAXPAYER OR A RELATED PERSON ACQUIRES MORE THAN 49 PERCENT OF THE VALUE OF ANY CLASS OF STOCK AFTER THE ALLOWANCE OF A CREDIT UNDER THIS SUBDIVISION AND PRIOR TO THE END OF THE THREE-YEAR PERIOD, THE TAXPAYER'S TAX FOR THE TAXABLE YEAR IN WHICH THE CREDIT WAS ALLOWED SHALL BE INCREASED BY THE AMOUNT OF THE CREDIT PREVIOUSLY CLAIMED.)

(3) (THE CREDIT SHALL NOT EXCEED 75 PERCENT OF THE TAXPAYER'S TAX LIABILITY COMPUTED AFTER THE SUBTRACTION OF ALL CREDITS; OTHER THAN THE CREDIT PROVIDED IN THIS SUBDIVISION.)

"Net investment" is limited to cash or the fair market value of marketable securities which are transferred to the qualified small business in return for equity stock, less the value of any other property or other consideration received by the taxpayer. 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. Marketable securities are limited to (A) obligations of the United States government, (B) securities of a corporation or other entity the stock or other securities of which are listed by the New York or American Stock Exchange or by the National Association of Securities Dealers Automated Quotation System, or (C) state or local government obligations, other than industrial development bonds as defined in section 103(b) of the Internal Revenue Code. The transfer of the assets of an entity engaged in a trade or business as a corporation, partnership, association, or proprietorship to a corporation shall not qualify as a net investment for purposes of the credit, if the ownership of the transferee corporation is substantially the same as that of the entity. For purposes of the preceding sentence, any property owned by or used directly in the business, pledged as collateral, or used as working capital shall constitute assets of the business.

((B)) (c) If the principal place of business of the qualified small business is located in an enterprise zone designated pursuant to section 273.1312, \$10,000 shall be substituted for \$25,000 and \$100,000 for \$75,000 in paragraph (a).

((C)) (d) The taxpayer's basis in the stock shall be reduced by the amount of the credit.

(e) *In the case of an investment made by a small business corporation, having a valid election in effect under section 1362 of the Internal Revenue Code, or by a partnership, the credit shall be allocated among the shareholders or partners on a*

pro rata basis and the limitations contained in paragraphs (a) and (c) shall apply to the small business corporation or partnership. In no case shall a taxpayer be allowed a maximum credit in excess of that permitted by paragraph (a) or (c).

Sec. 9. Minnesota Statutes 1983 Supplement, section 290.069, is amended by adding a subdivision to read:

Subd. 4a. [RECAPTURE; EQUITY INVESTMENT CREDIT.] (a) A taxpayer who receives a tax reduction pursuant to subdivision 4 shall repay to the commissioner an amount of the tax reduction as specified in paragraph (b) if any of the following conditions occur within a four-year period after the date of the investment:

(1) The taxpayer transfers, sells, or otherwise disposes of the stock other than transfer by the estate of a taxpayer who died after acquiring the stock.

(2) The taxpayer or a related person acquires an interest in the qualified small business in excess of that permitted by subdivision 4, clause (b)(2).

(3) The transferee ceases operations in Minnesota.

(b) The amount of the repayment is determined pursuant to the following schedule:

<i>Occurrence of event causing recapture</i>	<i>Repayment portion</i>
<i>Less than six months</i>	<i>100 percent</i>
<i>Six months or more but less than 12 months</i>	<i>87-1/2 percent</i>
<i>12 months or more but less than 18 months</i>	<i>75 percent</i>
<i>18 months or more but less than 24 months</i>	<i>62-1/2 percent</i>
<i>24 months or more but less than 30 months</i>	<i>50 percent</i>
<i>30 months or more but less than 36 months</i>	<i>37-1/2 percent</i>
<i>36 months or more but less than 42 months</i>	<i>25 percent</i>
<i>42 months or more but less than 48 months</i>	<i>12-1/2 percent</i>

(c) If a credit was allowed for a qualified small business whose principal place of business was located in an enterprise zone and the business ceases operations in the zone within three years after the investment is made, the taxpayer shall file an

amended return claiming the credit without regard to subdivision 4, paragraph (c).

Sec. 10. Minnesota Statutes 1983 Supplement, section 290.069, is amended by adding a subdivision to read:

Subd. 4b. [MULTISTATE BUSINESSES.] If a qualified small business is engaged in a business partly within and partly without the state, the credit allowable pursuant to subdivision 2 or 4 for technology transferred to or a net investment made in the business must be apportioned. The credit determined pursuant to subdivision 2 or 4 must be multiplied by the arithmetical average of the qualified small business' property and payrolls, determined as provided by section 290.19, subdivision 1, clauses (2)(a)(2) and (2)(a)(3), using data from the most recently available year. After the technology is transferred or the investment made, the qualified small business shall certify to the transferor taxpayer its factors under section 290.19, subdivision 1, clauses (2)(a)(2) and (2)(a)(3) for each of the succeeding two tax years. If the factors for either of these years would result in at least a 25 percent change in the allowable credit, the taxpayer shall file an amended return repaying or claiming the difference in the credit. The preceding sentence does not apply if the qualified small business ceases operations in Minnesota and the recapture provisions of subdivision 2a or 4a apply.

Sec. 11. Minnesota Statutes 1983 Supplement, section 290.069, subdivision 5, is amended to read:

Subd. 5. [(LIMITATIONS) CARRYOVER; OTHER CONDITIONS.] (THE PROVISIONS OF SECTION 290.068, SUBDIVISIONS 3, CLAUSE (A); 4; AND 5 SHALL APPLY TO THE SUM OF THE CREDITS WHICH THIS SECTION ALLOWS, EXCEPT THAT NO CARRYBACK SHALL BE ALLOWED. THE CARRYOVER PROVISIONS OF SECTION 290.068, SUBDIVISION 3, CLAUSE (B), SHALL APPLY TO THE SUM OF THE CREDITS ALLOWED BY THIS SECTION EXCEPT THAT THE TERM "RESEARCH CREDIT" OR "RESEARCH AND EXPERIMENTAL EXPENDITURE CREDIT" SHALL INCLUDE THE CREDITS AUTHORIZED BY SUBDIVISIONS 2 AND 3 OF THIS SECTION.) If the amount of the allowable credit pursuant to subdivision 2 or 3 for the taxable year exceeds the taxpayer's tax liability or if the limitation contained in subdivision 4, clause (a)(3) applies, the unused credit for the taxable year is a carryover to each of the succeeding five taxable years. The entire amount of the unused credit must be carried to the earliest of the taxable years to which it may be carried. "Tax liability" means the tax imposed by this chapter reduced by the sum of the nonrefundable credits allowed under this chapter except the credit allowed by section 290.068. The credits allowed by subdivisions 2 and 3 shall only be available to corporations and banks whose tax is computed pursuant to section 290.06, subdivision 1.

The maximum limitations on the amount of credits pursuant to subdivisions 2 (AND), 3, and 4 shall be determined by aggregating together the credits of all the corporations in the controlled group of corporations with the taxpayer. In order to facilitate compliance with and enforcement of this provision the commissioner may require the taxpayer to claim the credit on a combined report of the unitary business or to file a copy of the consolidated federal return with the state return or both.

Sec. 12. Minnesota Statutes 1983 Supplement, section 290.069, is amended by adding a subdivision to read:

Subd. 7. [COMMISSIONER'S POWER TO DISALLOW CREDIT.] The commissioner may disallow a credit under subdivision 2 or 4 if he determines that the transaction giving rise to the credit was entered into by the parties primarily to reduce taxes and not primarily for an independent business or commercial purpose other than the reduction of taxes.

Sec. 13. [TRANSITION PROVISION; FARMS.]

An investment made on or before June 30, 1985, in a corporation primarily engaged in the business of farming does not qualify for the equity investment credit under Minnesota Statutes, section 290.069. The business of farming includes the activities enumerated in Minnesota Statutes, section 290.09, subdivision 29, paragraph (a). The commissioner of energy and economic development may not certify an entity primarily engaged in farming as a qualified small business under Minnesota Statutes, section 290.069, subdivision 1, prior to July 1, 1985.

Sec. 14. 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 AL-

LOWED 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. 15. 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, trademarks, 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). The preceding sentence shall not be construed to imply that nondeductible rentals, fees, and royalties from such properties are or were included in or excluded from the apportionment factors under any other provision of law.

(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. The corporation's gross income for purposes of this clause shall be computed without regard to the requirement of section*

290.34, subdivision 2, that a combined report be filed reflecting the entire income of the unitary business.

(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.

(d) The deduction provided in this subdivision is allowed only with respect to rentals, fees, and royalties that are included in a corporation's Minnesota taxable net income for the taxable year.

Sec. 16. 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. 17. 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 govern-

ing 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. 18. [ALLOCATION TO DULUTH.]

The city of Duluth is allocated \$6,610,940 of the tax reductions permitted by section 273.1314, subdivision 8, pursuant to its designation under section 273.1312, subdivision 4, paragraph (c), clause (3).

Sec. 19. [PLANT CONSTRUCTION AND EXPANSION GRANTS.]

Subdivision 1. [APPROPRIATION.] The sum of \$3,400,000 is appropriated from the general fund to the commissioner of energy and economic development for the purpose of providing grants to industrial operations that are substantially renovating their facilities, providing that the renovation enables the operation to continue to provide a substantial portion of the industrial employment of the community in which it is located. The grant is intended to help meet the cost of property tax increases due to plant expansion or renovation and the cost of sales tax or equipment purchased to replace obsolete, inadequate, or inefficient equipment in the plant.

Of the sum appropriated, up to \$1,000,000 may be granted to a meat processing and packing facility that, at the time when renovation or expansion of the facility begins, provides over 20 percent of the industrial employment in the city. The entire amount of this grant may be paid on or after July 1, 1984.

Up to \$2,400,000 may be granted to a manufacturer of internal combustion engines, generators, electrical generating sets, and switchgear that, at the time when renovation or expansion of the facility begins, provides over ten percent of the industrial employment in the city. This grant is to be disbursed as follows. The recipient must annually certify to the commissioner the following amounts paid during the year: (a) the additional property taxes paid as a result of the expansion and (b) one-third of the sales tax paid on replacement capital equipment that does not qualify for the four percent sales tax rate under Minnesota Statutes, section 297A.02, subdivision 2. The commissioner shall pay the lesser of the amount certified for the year or \$480,000. If in a year the amount certified is less than \$480,000, the excess shall carryforward and may be paid in a succeeding year. The commissioner may not pay an amount in excess of that certified. The appropriation for this grant does not cancel.

An additional sum of \$100,000 is appropriated to the commissioner of energy and economic development to provide a grant to a city which is selected as the site for a foreign manufacturing development facility. This grant is not subject to the limitations contained in the first paragraph of this subdivision. A foreign manufacturing development project is a production and office facility financed, in whole or part, by an agency of a foreign government or a foreign corporation for the purpose of testing and developing the expertise of foreign firms in manufacturing products in the United States. The city may use the grant moneys to provide assistance to the foreign manufacturing development facility in the manner it determines appropriate.

Designation of grant recipients is not subject to the provisions of chapter 14.

Subd. 2. [RECAPTURE.] A business that receives a grant pursuant to subdivision 1 shall repay to the commissioner of energy and economic development a portion of the grant if, within five years of the receipt of the grant, the commissioner determines that (1) the recipient has failed to renovate or expand its facility according to the schedule submitted pursuant to subdivision 1 and that the recipient is unlikely to resume the renovation or expansion activity according to a schedule that is reasonably similar in result to the original schedule, allowing for some extension of time, not to exceed 20 percent of the time originally scheduled, for accomplishment of the renovation or expansion, or (2) the recipient has ceased operation of the facility.

The amount of the repayment is determined according to the following schedule:

<i>Occurrence of event causing recapture</i>	<i>Repayment portion</i>
<i>Less than one year</i>	<i>100 percent</i>
<i>One year or more but less than two years</i>	<i>80 percent</i>
<i>Two years or more but less than three years</i>	<i>60 percent</i>
<i>Three years or more but less than four years</i>	<i>40 percent</i>
<i>Four years or more but less than five years</i>	<i>20 percent</i>

Sec. 20. [REPEALER.]

Minnesota Statutes 1982, section 462.651, subdivision 2, and Minnesota Statutes 1983 Supplement, section 462.651, subdivision 3 are repealed.

Sec. 21. [EFFECTIVE DATE; APPROPRIATION.]

Sections 1 to 4 are effective the day following final enactment. Sections 5 to 13 are effective for taxable years beginning after December 31, 1983, except that they shall not apply to qualified small businesses that were certified by the commissioner of energy and economic development prior to April 10, 1984. Section 14 is effective for taxable years beginning after June 30, 1985. Section 15 is effective for taxable years beginning after December 31, 1984. Sections 16, 17, and 20 are effective for exemptions approved after July 1, 1984. Section 18 is effective July 1, 1984.

ARTICLE 6**SALES**

Section 1. Minnesota Statutes 1982, section 297A.01, subdivision 15, is amended to read:

Subd. 15. "Farm machinery" means new or used machinery, equipment, implements, accessories and contrivances used directly and principally in the production for sale, but not including the processing, of livestock, dairy animals, dairy products, poultry and poultry products, fruits, vegetables, forage, grains and bees and apiary products. "Farm machinery" shall include machinery for the preparation, seeding or cultivation of soil for growing agricultural crops, harvesting and threshing of agricultural products, and certain machinery for dairy, livestock and poultry farms, together with barn cleaners, milking systems, grain dryers, automatic feeding systems and similar installations. Irrigation equipment sold for exclusively agricultural use, including pumps, pipe fittings, valves, sprinklers and other equipment necessary to the operation of an irrigation system when sold as part of an irrigation system, except irrigation equipment which is situated below ground and considered to be a part of the real property, shall be included in the definition of farm machinery. *Logging equipment, except chain saws, shall be included in the definition of farm machinery.* Repair or replacement parts for farm machinery shall not be included in the definition of farm machinery.

Tools, shop equipment, grain bins, feed bunks, fencing material, communication equipment and other farm supplies shall not be considered to be farm machinery. "Farm machinery" does not include motor vehicles taxed under chapter 297B, snowmobiles, snow blowers, lawn mowers, garden-type tractors or garden tillers and the repair and replacement parts for those vehicles and machines.

Sec. 2. 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, fabricating, or refining a product to be sold at retail and must be used for the establishment of a new or the physical expansion of an existing manufacturing, fabricating, or refining facility in the state.

Capital equipment does not include (1) machinery or equipment purchased or leased to replace machinery or equipment performing substantially the same function in an existing facility, (2) repair or replacement parts, or (3) machinery or equipment used to extract, receive, or store raw materials.

Sec. 3. 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. 4. 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. 5. 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. 6. 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 ex-

change 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. 7. Minnesota Statutes 1982, section 297A.15, is amended by adding a subdivision to read:

Subd. 5. [REFUND; APPROPRIATION.] 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. There is annually appropriated to the commissioner of revenue the amount required to make the refunds.

Sec. 8. 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, *except when sold for fundraising purposes by a nonprofit organization that provides educational and social activities for young people primarily aged 18 and under;*

(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 ex-

empt; or (ii) which the seller delivers to a common carrier for delivery outside Minnesota, places in the United States mail or parcel post directed to the purchaser outside Minnesota, or delivers to the purchaser outside Minnesota by means of the seller's own delivery vehicles, and which is not thereafter returned to a point within Minnesota, except in the course of interstate commerce;

(e) The gross receipts from the sale of packing materials used to pack and ship household goods, the ultimate destination of which is outside the state of Minnesota and which are not thereafter returned to a point within Minnesota, except in the course of interstate commerce;

(f) The gross receipts from the sale of and storage, use or consumption of petroleum products upon which a tax has been imposed under the provisions of chapter 296, whether or not any part of said tax may be subsequently refunded;

(g) The gross receipts from the sale of clothing and wearing apparel except the following:

(i) all articles commonly or commercially known as jewelry, whether real or imitation; pearls, precious and semi-precious stones, and imitations thereof; articles made of, or ornamented, mounted or fitted with precious metals or imitations thereof; watches; clocks; cases and movements for watches and clocks; gold, gold-plated, silver, or sterling flatware or hollow ware and silver-plated hollow ware; opera glasses; lorgnettes; marine glasses; field glasses and binoculars.

(ii) articles made of fur on the hide or pelt, and articles of which such fur is the component material or chief value, but only if such value is more than three times the value of the next most valuable component material.

(iii) perfume, essences, extracts, toilet waters, cosmetics, petroleum jellies, hair oils, pomades, hair dressings, hair restoratives, hair dyes, aromatic cachous and toilet powders. The tax imposed by this act shall not apply to lotion, oil, powder, or other article intended to be used or applied only in the case of babies.

(iv) trunks, valises, traveling bags, suitcases, satchels, overnight bags, hat boxes for use by travelers, beach bags, bathing suit bags, brief cases made of leather or imitation leather, salesmen's sample and display cases, purses, handbags, pocketbooks, wallets, billfolds, card, pass, and key cases and toilet cases.

(h) The gross receipts from the sale of and the storage, use, or consumption of all materials, including chemicals, fuels, petroleum products, lubricants, packaging materials, including

returnable containers used in packaging food and beverage products, feeds, seeds, fertilizers, electricity, gas and steam; used or consumed in agricultural or industrial production of personal property intended to be sold ultimately at retail, whether or not the item so used becomes an ingredient or constituent part of the property produced. Such production shall include, but is not limited to, research, development, design or production of any tangible personal property, manufacturing, processing (other than by restaurants and consumers) of agricultural products whether vegetable or animal, commercial fishing, refining, smelting, reducing, brewing, distilling, printing, mining, quarrying, lumbering, generating electricity and the production of road building materials. Such production shall not include painting, cleaning, repairing or similar processing of property except as part of the original manufacturing process. Machinery, equipment, implements, tools, accessories, appliances, contrivances, furniture and fixtures, used in such production and fuel, electricity, gas or steam used for space heating or lighting, are not included within this exemption; however, accessory tools, equipment and other short lived items, which are separate detachable units used in producing a direct effect upon the product, where such items have an ordinary useful life of less than 12 months, are included within the exemption provided herein;

(i) The gross receipts from the sale of and storage, use or other consumption in Minnesota of tangible personal property (except as provided in section 297A.14) which is used or consumed in producing any publication regularly issued at average intervals not exceeding three months, and any such publication. For purposes of this subsection, "publication" as used herein shall include, without limiting the foregoing, a legal newspaper as defined by Minnesota Statutes 1965, section 331.02, and any supplements or enclosures with or part of said newspaper; and the gross receipts of any advertising contained therein or therewith shall be exempt. For this purpose, advertising in any such publication shall be deemed to be a service and not tangible personal property, and persons or their agents who publish or sell such newspapers shall be deemed to be engaging in a service with respect to gross receipts realized from such newsgathering or publishing activities by them, including the sale of advertising. 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 taconite, the material of which primarily is added to and becomes a part of the material being processed.

(p) The gross receipts from the sale of tangible personal property to, and the storage, use or other consumption of such property by, any corporation, society, association, foundation, or institution organized and operated exclusively for charitable, religious or educational purposes if the property purchased is to be used in the performance of charitable, religious or educational functions, or any senior citizen group or association of groups that in general limits membership to persons age 55 or older and is organized and operated exclusively for pleasure, recreation and other nonprofit purposes, no part of the net earnings of which inures to the benefit of any private shareholders. 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, sub-contractors, builders or owners, but shall be applicable only upon a claim for refund to the commissioner of revenue filed by recipients of the benefits provided in title 38 United States Code, chapter 21, as amended. The commissioner shall provide by regulation for the refund of taxes paid on sales exempt in accordance with this paragraph.

(u) The gross receipts from the sale of textbooks which are prescribed for use in conjunction with a course of study in a public or private school, college, university and business or trade school to students who are regularly enrolled at such institutions. For purposes of this clause a "public school" is defined as one that furnishes course of study, enrollment and staff that meets standards of the state board of education and a private school is one which under the standards of the state board of education, provides an education substantially equivalent to that furnished at a public school. Business and trade schools shall mean such schools licensed pursuant to section 141.25.

(v) The gross receipts from the sale of and the storage of material designed to advertise and promote the sale of merchandise or services, which material is purchased and stored for the purpose of subsequently shipping or otherwise transferring outside the state by the purchaser for use thereafter solely outside the state of Minnesota.

(w) The gross receipt from the sale of residential heating fuels in the following manner:

(i) all fuel oil, coal, wood, steam, *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 crea-

tion, 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. 9. Minnesota Statutes 1983 Supplement, section 297B.03, is amended to read:

297B.03 [EXEMPTIONS.]

There is specifically exempted from the provisions of this chapter and from computation of the amount of tax imposed by it the following:

(1) Purchase or use, including use under a lease purchase agreement or installment sales contract made pursuant to section 465.71, of any motor vehicle by any person described in and subject to the conditions provided in section 297A.25, subdivision 1, clauses (j), (p) and (r).

(2) Purchase or use of any motor vehicle by any person who was a resident of another state at the time of the purchase and who subsequently becomes a resident of Minnesota, provided the purchase occurred more than 60 days prior to the date such person moved his residence to the state of Minnesota.

(3) Purchase or use of any motor vehicle by any person making a valid election to be taxed under the provisions of section 297A.211.

(4) Purchase or use of any motor vehicle previously registered in the state of Minnesota by any corporation or partnership when such transfer constitutes a transfer within the meaning of sections 351 or 721 of the Internal Revenue Code of 1954, as amended through December 31, 1974.

(5) *Purchase or use of any vehicle owned by a resident of another state and leased to a Minnesota based private or for hire carrier for regular use in the transportation of persons or property in interstate commerce provided the vehicle is titled in the state of the owner or secured party, and that state does not impose a sales or motor vehicle excise tax on motor vehicles used in interstate commerce.*

Sec. 10. 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 by a lessor 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. 11. [EFFECTIVE DATE.]

Section 5 and the provision in section 8, clause (aa), exempting certain sales of manufactured homes are effective January 1, 1985. Section 1, the rest of section 8, and section 10 are effective for sales after June 30, 1984. Sections 2 to 4, 6, and 7 are effective for sales made after June 30, 1984, and also apply to purchases of capital equipment and special tooling made after May 1, 1984, but not placed in service until after June 30, 1984.

ARTICLE 7

TACONITE

Section 1. 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 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. 2. 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 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 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. 3. Minnesota Statutes 1982, section 273.135, subdivision 2, is amended to read:

Subd. 2. The amount of the reduction authorized by subdivision 1 shall be

(a) in the case of property located within the boundaries of a municipality which meets the qualifications prescribed in section 273.134, 66 percent of the (AMOUNT OF SUCH) *net tax up to the taconite breakpoint plus a percentage equal to the homestead credit equivalency percentage of the net tax in excess of the taconite breakpoint*, provided that the (AMOUNT OF SAID) reduction shall not exceed the maximum (AMOUNT) *amounts* specified in clause (c).

(b) in the case of property located within the boundaries of a school district which qualifies as a tax relief area but which is outside the boundaries of a municipality which meets the qualifications prescribed in section 273.134, 57 percent of the (AMOUNT OF SUCH) *net tax up to the taconite breakpoint plus a percentage equal to the homestead credit equivalency percentage of the net tax in excess of the taconite breakpoint*, provided that the (AMOUNT OF SAID) reduction shall not exceed the maximum (AMOUNT) *amounts* specified in clause (c).

(c) (1) The maximum reduction (FOR) of the net tax up to the taconite breakpoint is \$225.40 on property described in clause (a) (SHALL BE \$385) and (FOR) \$200.10 on property described in clause (b) (\$330), for taxes payable in (1978) 1985. These maximum amounts shall increase by \$15 times the quantity one minus the homestead credit equivalency percentage per year for taxes payable in (1979) 1986 and subsequent years.

(2) The total maximum reduction of the net tax on property described in clause (a) is \$490 for taxes payable in 1985. The total maximum reduction for the net tax on property described in clause (b) is \$435 for taxes payable in 1985. These maximum amounts shall increase by \$15 per year for taxes payable in 1986 and thereafter.

For the purposes of this subdivision, "net tax" means the tax on the property after deduction of any credit under section 273.13, subdivision 6, 7, or 14a, "taconite breakpoint" means the lowest possible net tax for a homestead qualifying for the maximum reduction pursuant to section 273.13, subdivision 7, rounded to the nearest whole dollar, and "homestead credit equivalency percentage" means a percentage equal to the percentage reduction authorized in section 273.13, subdivision 7.

Sec. 4. Minnesota Statutes 1982, section 273.135, subdivision 5, is amended to read:

Subd. 5. For the purposes of this section, the amount of property tax to be paid shall be determined (BEFORE) after the allowance of any reduction prescribed by section 273.13, and the reduction prescribed by this section shall be in addition to that prescribed by section 273.13.

Sec. 5. Minnesota Statutes 1982, section 273.1391, subdivision 2, is amended to read:

Subd. 2. The amount of the reduction authorized by subdivision 1 shall be:

(a) In the case of property located within a school district which does not meet the qualifications of section 273.134 as a tax relief area, but which is located in a county with a population of less than 100,000 in which taconite is mined or quarried and wherein a school district is located which does meet the qualifications of a tax relief area, and provided that at least 90 percent of the area of the school district which does not meet the qualifications of section 273.134 lies within such county, 57 percent of the (AMOUNT OF THE) net tax up to the taconite breakpoint plus a percentage equal to the homestead credit equivalency percentage of the net tax in excess of the taconite breakpoint on qualified property located in the school district that does not meet the qualifications of section 273.134, provided that the

amount of said reduction shall not exceed the maximum (AMOUNT) amounts specified in clause (c). The reduction provided by this clause shall only be applicable to property located within the boundaries of the county described therein.

(b) In the case of property located within a school district which does not meet the qualifications of section 273.134 as a tax relief area, but which is located in a school district in a county containing a city of the first class and a qualifying municipality, but not in a school district containing a city of the first class or adjacent to a school district containing a city of the first class unless the school district so adjacent contains a qualifying municipality, 57 percent of the (AMOUNT OF THE) net tax up to the taconite breakpoint plus a percentage equal to the homestead credit equivalency percentage of the net tax in excess of the taconite breakpoint, but not to exceed the (MAXIMUM) maximums specified in clause (c).

(c) (1) The maximum reduction (SHALL BE \$375) of the net tax up to the taconite breakpoint is \$200.10 for taxes payable in (1981) 1985. (THESE) This maximum (AMOUNTS) amount shall increase by \$15 multiplied by the quantity one minus the homestead credit equivalency percentage per year for taxes payable in (1982) 1986 and subsequent years.

(2) The total maximum reduction of the net tax is \$435 for taxes payable in 1985. This total maximum amount shall increase by \$15 per year for taxes payable in 1986 and thereafter.

For the purposes of this subdivision, "net tax" means the tax on the property after deduction of any credit under section 273.13, subdivision 6, 7, or 14a, "taconite breakpoint" means the lowest possible net tax for a homestead qualifying for the maximum reduction pursuant to section 273.13, subdivision 7, rounded to the nearest whole dollar, and "homestead credit equivalency percentage" means a percentage equal to the percentage reduction authorized in section 273.13, subdivision 7.

Sec. 6. Minnesota Statutes 1982, section 273.1391, subdivision 4, is amended to read:

Subd. 4. For the purposes of this section, the amount of property tax to be paid shall be determined (BEFORE) after the allowance of any reduction prescribed by section 273.13, and the reduction prescribed by this section shall be in addition to that prescribed by section 273.13.

Sec. 7. 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 pay leasing fees for computer systems hardware and related proprietary software, and to pay leasing fees for photocopy machines and telecommunications equipment. The proceeds of the tax may also be used for capital improvement and repair of school sites, buildings and permanent attached fixtures, energy assessments, 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) *sections 116J.37 and 298.292 to 298.298.*

(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 ap-

proved 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. 8. Minnesota Statutes 1983 Supplement, section 275.125, subdivision 11b, is amended to read:

Subd. 11b. [SPECIAL PURPOSE CAPITAL EXPENDITURE LEVY.] In addition to the levy authorized in subdivision 11a, each year a school district may levy an amount not to exceed the amount equal to \$25 per pupil unit. No levy under this clause shall exceed two mills times the adjusted assessed valuation of the property in the district for the preceding year. The proceeds of the tax shall be placed in the district's capital expenditure fund and may be used only for the following:

(a) for energy audits on district-owned buildings, and for funding those energy conservation and renewable energy measures which the energy audits indicate will reduce the use of non-renewable 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;

(e) for expenditures for the cleanup and disposal of polychlorinated biphenyls; and

(f) to pay principal and interest on loans from the state authorized by (SECTION) *sections 116J.37 and 298.292 to 298.298.*

Sec. 9. Minnesota Statutes 1983 Supplement, section 275.125, subdivision 12a, is amended to read:

Subd. 12a. [ENERGY CONSERVATION LEVY.] The school district may levy, without the approval of a majority of the voters in the district, an amount equal to the actual costs of the energy conservation investments for the purposes of repaying the principal and interest of the law made pursuant to (SECTION) sections 116J.37 and 298.292 to 298.298.

Sec. 10. Minnesota Statutes 1982, section 298.01, is amended to read:

298.01 [MINING OR PRODUCING ORES.]

Subdivision 1. Every person engaged in the business of mining or producing iron ore or other ores in this state shall pay to the state of Minnesota an occupation tax equal to 15.5 percent of the valuation of all ores except taconite, semi-taconite and iron sulphides mined or produced after December 31, 1971 and iron ores mined or produced after December 31, 1984. Said tax shall be in addition to all other taxes provided for by law and shall be due and payable from such person on or before June 15 of the year next succeeding the calendar year covered by the report thereon to be filed as hereinafter provided.

Subd. 2. Every person engaged in the business of producing or mining taconite, semi-taconite and iron sulphides in this state shall pay to the state an occupation tax equal to 15 percent of the valuation of all taconite, semi-taconite and iron sulphides mined or produced after December 31, 1970 and of iron ores mined or produced after December 31, 1984. The tax shall be in addition to all other taxes provided for by law and shall be due and payable from such person on or before June 15 of the year next succeeding the calendar year covered by the report thereon to be filed as hereinafter provided.

Sec. 11. Minnesota Statutes 1982, section 298.02, subdivision 1, is amended to read:

Subdivision 1. [CREDIT.] For the purpose of increasing employment and the utilization of low-grade, underground, and high labor cost ores any taxpayer on whom a tax is imposed by reason of the provisions of section 298.01, subdivisions 1 and 2, shall be allowed a credit against the occupation tax as computed in (SAID SUBDIVISIONS) that section because of the mining or production of ore from any mine, in an amount calculated as follows:

(a) In the case of underground mines or that tonnage of merchantable ore produced in open pit mines in the year in question which tonnage has resulted from beneficiation at an ore beneficiation plant within the state by jigging, heavy media, spiral separation, cyclone process, roasting, drying by artificial heat, sintering, magnetic separation, flotation, agglomeration or

any process requiring fine grinding or any other iron ores mined after December 31, 1984, ten percent of that part of the cost of labor employed by (SAID) the mine or in the beneficiation of all ore mined or produced in (SAID) the calendar year in excess of 70 cents and not in excess of 90 cents per ton of the merchantable ore produced during the year at (SAID) that mine, and 15 percent of that part of the cost of such labor in excess of 90 cents per ton; in the case of any other tonnage produced at said mine or in the case of other mines, ten percent of the amount by which the average cost per ton of labor employed at (SAID) the mine, or in the beneficiation of (SUCH) the ore at or near the mine, exceeds 80 cents, but does not exceed \$1.05, plus 15 percent of the amount by which (SUCH) the average labor cost per ton exceeds \$1.05, multiplied by the number of tons of ore produced at (SAID) the mine, not exceeding 100,000 tons, but this 100,000 tons or less shall be first reduced by any tonnage described in the first part of this subparagraph; provided, however, that in no event shall the credit allowed hereunder be in excess of three-fourths of eleven percent, as applied to underground and taconite (OR), semi-taconite or other iron ore operations, and six-tenths of eleven percent as applied to all other operations, of the valuation of the ore used in computing the tax under the provisions of section 298.01. The (EXPRESSION) term "merchantable ore produced" as used herein means ores which as mined or as mined and beneficiated, are ready for shipment as a merchantable product. (THE PROVISIONS OF THIS SUBPARAGRAPH (A) SHALL BE APPLICABLE TO ALL ORES MINED OR PRODUCED SUBSEQUENT TO DECEMBER 31, 1956.)

(b) The aggregate amount of all credits allowed under this subdivision to all mines shall not exceed six and two-tenths percent of the aggregate amount of occupation taxes imposed under section 298.01, subdivision 1, assessed against all mines in the state for said year prior to the deduction of such credits, provided, that after December 31, 1954, labor credits to underground mines or taconite or semi-taconite operations shall not be subject to such percentage limitation and that, after December 31, 1984, labor credits to other iron ore operations shall not be subject to the percentage limitation and both the occupation taxes of such underground mines or taconite (OR), semi-taconite or other iron ore operations and the labor credits allowed thereto, shall be excluded in calculating such percentage limitations. At the time of his final determination of occupation tax pursuant to section 298.09, subdivision 3, the commissioner shall reduce the credit otherwise allowable to each mine hereunder by such equal percentage as will bring the total within such limitation. If an equal percentage reduction is made in the labor credits of mines pursuant to this subparagraph at the time of certification to the commissioner of (FINANCE) revenue as set forth in section 298.10, the same percentage will be used where changes are made pursuant to section 298.09, subdivision 4, subsequent to June 1. Also if no reduction is made at the time of certification (TO) by the commissioner of (FINANCE) revenue on or before

June 1, pursuant to this subdivision and section 298.10, no reduction will be made subsequent to June 1, due to changes made pursuant to section 298.09, subdivision 4. This subparagraph shall apply to occupation tax calculations in calendar years subsequent to December 31, 1952.

Sec. 12. Minnesota Statutes 1982, section 298.031, subdivision 2, is amended to read:

Subd. 2. [VALUE OF CERTAIN ORE; HOW ASCERTAINED.] (1) The taxpayer shall be given a credit in each taxable year upon the occupation tax assessed in such year under Minnesota Statutes 1957, Chapter 298, against a given mine after credit for labor credits has been given, in an amount equal to the occupation tax under said chapter 298 upon an amount produced by multiplying the number of tons of ore sold at a discount by the amount of such discount.

(2) The aggregate amount of all credits allowed under this section to all mines shall not exceed one percent of the aggregate amount of all occupation taxes imposed under section 298.01, subdivision 1, assessed against all mines in the state for said year prior to the deduction of the credit allowed by this section.

(3) The amount of the foregoing subtraction shall be ascertained and determined by the commissioner.

(4) *If ore stockpiled from previous years operations is sold at a discount, the discount credit shall be allowed against all ore currently being produced by the same company to the extent that the discount credit is available. Any unused credit may be carried forward and utilized with future years production of ore from the stockpiled property or other properties operated by the same company.*

Sec. 13. Minnesota Statutes 1982, section 298.225, is amended to read:

298.225 [APPROPRIATION.]

(IF A TACONITE PRODUCER CEASES BENEFICIATION OPERATIONS, EITHER TEMPORARILY OR PERMANENTLY, AND IF) *For distribution of taconite production tax in 1985 and thereafter with respect to production in 1984 and thereafter,* the recipients of the taconite production tax as provided in section 298.28, subdivision 1, clauses (1) to (4) and (5) (b) (TO), (7), and (8) (a), (WOULD) shall receive (DECREASED DISTRIBUTIONS AS A RESULT THEREOF, THEN THE DISTRIBUTION TO THESE RECIPIENTS IN EACH OF THE TWO YEARS IMMEDIATELY FOLLOWING THE YEAR IN WHICH OPERATIONS CEASED SHALL BE EQUAL TO THE AMOUNT THEY RECEIVED IN THE LAST FULL YEAR BEFORE OPERA-

TIONS CEASED) distributions equal to the amount distributed to them pursuant to sections 298.225 and 298.28, subdivision 1, with respect to 1983 production if the production for the year prior to the distribution year is no less than 42,000,000 taxable tons. If the production is less than 42,000,000 taxable tons, the amount of the distributions shall be reduced by two percent for each 1,000,000 tons, or part of 1,000,000 tons by which the production is less than 42,000,000 tons. There is hereby appropriated to the commissioner of revenue from the taconite environmental protection fund and the corpus of the northeast Minnesota economic protection trust fund in equal proportions the amount needed to make the above payments.

If a taconite producer ceases beneficiation operations permanently and is required by a special law to make bond payments for a school district, the northeast Minnesota economic protection trust fund shall assume the payments of the taconite producer if the producer ceases to make the needed payments. There is hereby appropriated from the corpus of the northeast Minnesota economic protection trust fund to the commissioner of revenue the amounts needed to make these school bond payments.

Sec. 14. Minnesota Statutes 1982, section 298.24, subdivision 1, is amended to read:

Subdivision 1. (a) There is hereby imposed upon taconite and iron sulphides, and upon the mining and quarrying thereof, and upon the production of iron ore concentrate therefrom, and upon the concentrate so produced, a tax of \$1.25 cents per gross ton of merchantable iron ore concentrate produced therefrom. The tax on concentrates produced in 1978 and subsequent years prior to 1985 shall be equal to \$1.25 multiplied by the steel mill products index during the production year, divided by the steel mill products index in 1977. The index stated in code number 1013, or any subsequent equivalent, as published by the United States Department of Labor, Bureau of Labor Statistics Wholesale Prices and Price Indexes for the month of January of the year in which the concentrate is produced shall be the index used in calculating the tax imposed herein. In no event shall the tax be less than \$1.25 per gross ton of merchantable iron ore concentrate. *The tax on concentrates produced in 1985 and 1986 shall be at the rate determined for 1984 production. For concentrates produced in 1987 and subsequent years, the tax shall be equal to the preceding year's tax plus an amount equal to the preceding year's tax multiplied by the percentage increase in the implicit price deflator from the fourth quarter of the second preceding year to the fourth quarter of the preceding year. "Implicit price deflator" means the implicit price deflator prepared by the bureau of economic analysis of the United States department of commerce.*

(b) On concentrates produced in 1984, an additional tax is (HEREBY) imposed equal to (1.6) eight-tenths of one percent

of the total tax imposed by clause (a) per gross ton for each one percent that the iron content of such product exceeds 62 percent, when dried at 212 degrees Fahrenheit.

(c) The tax imposed by this subdivision on concentrates produced in 1984 shall be computed on the production for the current year (OR). The tax on concentrates produced in 1985 shall be computed on the average of the production for the current year and the previous year. The tax on concentrates produced in 1986 and thereafter shall be the average of the production for the current year and the previous two years (, WHICH-EVER IS HIGHER). This clause shall not apply in the case of the closing of a taconite facility if the property taxes on the facility would be higher if this clause and section 298.25 were not applicable.

(d) If the tax or any part of the tax imposed by this subdivision is held to be unconstitutional, a tax of \$1.25 per gross ton of merchantable iron ore concentrate produced shall be imposed.

Sec. 15. Minnesota Statutes 1982, section 298.24, is amended by adding a subdivision to read:

Subd. 4. A credit shall be allowed against the tax imposed by subdivision 1, in the amount of \$250,000 per year to any taconite producer that builds a water filtration and treatment plant in 1984 at a cost in excess of \$1,000,000 in order to alleviate the contamination of water resulting from the disposal of taconite tailings on land. This credit shall be available against taxes paid in 1985, 1986, and 1987. The amount sufficient to pay these credits is appropriated from the taconite environmental protection fund created in section 298.223 to the commissioner of revenue.

Sec. 16. 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 subdivi-

sions 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) *in years prior to 1988*, 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. *On July 15, 1988 and subsequent years, the increase over the amount established for the prior year shall be determined according to the*

increase in the implicit price deflator as provided in section 298.24, subdivision 1, paragraph (a). Each district shall receive the product of:

(i) \$150 times the pupil units identified in section 124.17, subdivision 1, clauses (1) and (2), enrolled in the previous school year, less the product of two mills times the district's taxable valuation in the second previous year; times

(ii) the lesser of:

(A) one, or

(B) the ratio of the amount certified pursuant to section 275.125, subdivision 2d, in the previous year, to the product of two mills times the district's taxable valuation in the second previous year.

If the total amount provided by clause (3)(c) is insufficient to make the payments herein required then the entitlement of \$150 per pupil unit shall be reduced uniformly so as not to exceed the funds available. Any amounts received by a qualifying school district in any fiscal year pursuant to clause (3)(c) shall not be applied to reduce foundation aids which the district is entitled to receive pursuant to 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 pursuant to part (a) and imposed on and collected from such

taxpayer shall be distributed by the commissioner of revenue to the county in which the power plant is located.

(c) Four cents per taxable ton shall be paid to the county from which the taconite was mined, quarried or concentrated to be deposited in the county road and bridge fund. If the mining, quarrying and concentrating, or separate steps in any of those processes are carried on in more than one county, the commissioner shall follow the apportionment formula prescribed in clause (1).

(5) (a) (25.75) 17.75 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 *prior to 1988* in the same proportion as the increase in the steel mill products index as provided in section 298.24, subdivision 1 *and shall be increased in 1988 and subsequent years according to the increase in the implicit price deflator 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) (a) .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 co-operative actions and which are common to those areas of north-east 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.

(b) 1.5 cents per taxable ton shall be paid to the northeast Minnesota economic protection trust fund.

(9) the amounts determined under clauses (4)(a), (4)(c), (AND) (5), and (8)(b) shall be increased in 1979 and subsequent years prior to 1988 in the same proportion as the increase in the steel mill products index as provided in section 298.24, subdivision 1. *Those amounts shall be increased in 1988 and subsequent years in the same proportion as the increase in the implicit price deflator 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 produc-

tion 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.

amount not less than the amount due on the minimum tax

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. 17. Minnesota Statutes 1982, section 298.40, is amended by adding a subdivision to read:

Subd. 4. There is appropriated, effective July 1, 1985, to the commissioner of revenue from the general fund an amount equal to any credits due as a result of a recomputation of occupation taxes for production year 1977 and previous years based on the limitations prescribed in section 298.40, subdivision 1, and established by the commissioner as an account payable on or before March 25, 1984. The commissioner shall refund to the taxpayers the amount of overpayment plus six percent interest per annum from the date of the overpayment.

Sec. 18. Minnesota Statutes 1982, section 299.012, subdivision 1, is amended to read:

Subdivision 1. For the purpose of increasing the utilization of low grade, underground, and high labor cost ores and taconites, the royalty tax levied by virtue of section 299.01, subdivisions 1 and 2, on royalty received because of the production of ores in any calendar year from land forming part of any mine which was in production during said year, shall be reduced by a credit in an amount which will make the net effective tax rate thereon equal to the net effective rate of the occupation tax imposed pursuant to section 298.01, because of the production of ores during such calendar year from the mine of which such land forms a part, after the application of the credits against such occupation tax allowed under section 298.02; provided, if such mine produced ore in such calendar year, but the ore produced had no valuation for occupation tax purposes because of the allowable deductions equaling or exceeding the value of the ore produced, the credit allowed hereunder shall be three-fourths of eleven percent, as applied to underground, taconite, (AND) semi-taconite and other iron ore operations, and six-tenths of eleven percent as applied to all other operations, of the royalty received. Any person making payments of royalty taxes in advance of the final determination of such taxes, may assume for the purposes of section 299.08, that the net rate of the tax for the calendar year in question shall be the last full year's net effective occupa-

tion tax rate known at the time of the first payment of royalty tax during the current calendar year.

Sec. 19. Laws 1982, Second Special Session, chapter 2, section 12, as amended by Laws 1983, chapter 5, section 1, is amended to read:

Sec. 12. [DISTRESSED AREA EMERGENCY JOBS AND RETRAINING PROGRAM.]

Subdivision 1. [APPROPRIATION.] Notwithstanding the provisions of Minnesota Statutes, sections 298.293 or 298.294, or any other law, there is appropriated to the commissioner of iron range resources and rehabilitation from the net interest, dividends, and other earnings of the northeast Minnesota economic protection trust fund the sum of \$2,500,000. This money shall be expended by the commissioner upon recommendation of the iron range resources and rehabilitation board for the creation of emergency jobs through public works projects submitted to the commissioner by cities, towns, and school districts that are tax relief areas as defined in Minnesota Statutes, section 273.134, by counties in which a tax relief area is located, or by state or federal agencies and for payment of training allowances to individuals who meet the qualifications established pursuant to subdivision 2 while they are participating in an employment retraining program. The money shall be expended only for projects or with respect to employment retraining programs located within a tax relief area. The projects shall be beneficial to the city, town, school districts, county, or the state and may include permanent improvements or maintenance of public property, residential weatherization programs, landscaping of public grounds or parks, planting or trimming trees, improving open space areas, playgrounds, and recreational facilities owned or operated by the sponsoring unit of government, mineland reclamation and reforestation. The sponsoring unit of government shall provide the administration, supervision, and supplies and materials for its project. All money appropriated for the projects under this section and section 14 shall be expended for wages and benefits and the cost of workers' compensation insurance for workers who qualify for employment pursuant to subdivision 2 and who are employed or who are being paid while participating in an employment retraining program pursuant to this act except that an amount not to exceed 3.5 percent of the amount expended under this section and section 14 shall be available to reimburse the department of economic security and iron range resources and rehabilitation board for its actual cost of administering this program. The appropriation under this section shall not lapse but shall remain available until (ENTIRELY DISBURSED) *the day following final enactment of this act. Any funds which are unexpended on the day following final enactment of this act are transferred and deposited in the special revenue fund established at section 298.28, subdivision 1, clause (7), for the purposes of section 298.22.*

Subd. 2: [QUALIFICATIONS FOR EMPLOYMENT.]
The appropriations made under this section and section 14 shall be used only to employ needy unemployed persons who meet the qualifications which shall be established by the commissioner of iron range resources and rehabilitation and the commissioner of economic security. The criteria for employment may be established without compliance with any law or statutory provision relating to the promulgation of rules by departments, agencies or instrumentalities of the state.

Sec. 20. Laws 1982, Second Special Session, chapter 2, section 14, as amended by Laws 1983, chapters 5, section 2, and 46, section 7, is amended to read:

Sec. 14. [SUPPLEMENTAL APPROPRIATION.]

Notwithstanding the provisions of Minnesota Statutes, sections 298.293 or 298.294, or any other law there is appropriated to the iron range resources and rehabilitation board from the net interest, dividends, and other earnings of the northeast Minnesota economic protection trust fund the sum of \$5,000,000 for the purpose of continuing the emergency public works job and retraining program established in section 12. Expenditure of this money, or any portion thereof, is contingent upon approval by a majority of the members of the iron range resources and rehabilitation board. The determination of the board that money may be expended from this appropriation shall be approved by the governor prior to the expenditure of any money under this section, and the legislative advisory commission shall make a recommendation on the expenditure. The appropriation under this section shall not lapse but shall remain available until (ENTIRELY DISBURSED) the day following final enactment of this act. Any funds which are unexpended on the day following final enactment of this act are transferred and deposited in the special revenue fund established at section 298.28, subdivision 1, clause (7), for the purposes of section 298.22.

Sec. 21. [REFUNDS FROM PRODUCTION TAX CASE.]

Any refunds due to taconite producers under the decision of the Minnesota Supreme Court in Erie Mining Co. v. Commissioner of Revenue, filed January 6, 1984, shall be credited against the production tax liability of each company in five equal annual installments. The refunds shall be credited against the distributions to the funds and accounts that received excessive distributions pursuant to Minnesota Statutes, section 298.28, subdivision 1, as a result of the improper computation of the tax that was rectified in that decision.

Sec. 22. [EFFECTIVE DATE.]

Subdivision 1. Sections 1 to 6 are effective for taxes levied in 1984, payable in 1985, and thereafter. Sections 7 to 9 and

12 are effective the day following final enactment. Sections 10, 11, and 18 are effective for ores produced after December 31, 1984. Except as otherwise provided, section 14 is effective for concentrates produced in 1984 and thereafter. Section 16 is effective for distributions in 1985 and thereafter. Sections 19 and 20 are effective the day after final enactment.

Subd. 2. Section 14 shall not become effective unless the commissioner of revenue and all taconite producers with pending taconite production tax litigation execute an agreement to suspend the prosecution of currently pending taconite production tax litigation under terms and conditions satisfactory to the commissioner and the taconite producers before the governor approves this act.

ARTICLE 8

TAX AMNESTY

Section 1. [TAX AMNESTY.]

The commissioner of revenue shall establish a tax amnesty program. The amnesty program applies to taxes payable to the commissioner other than taxes collected by the commissioner on behalf of the cities of Minneapolis and Rochester and the metropolitan sports facilities commission and is only available to a taxpayer who either has an unpaid liability on the department of revenue's accounts receivable system as of February 1, 1984, or who has failed to file a return which, if filed on February 1, 1984, would be considered a delinquent return subject to penalty by law. For a taxpayer who has an existing liability as of February 1, 1984, the commissioner shall accept as full payment of the account a certified check, cashier's check, or money order in the amount of 80 percent of the balance due on February 1, 1984, plus any interest accruing on that account since February 1, 1984, plus any additional liabilities including tax, penalty, and interest established by the commissioner after February 1, 1984. All payments credited to a taxpayer's account after February 1, 1984, but prior to the taxpayer's application for amnesty, shall reduce the February 1 balance prior to computation of the 80 percent requirement. In no case may the reduction exceed \$2,000. Tax amnesty is not available to any taxpayer who has an account which includes a civil fraud penalty imposed by the commissioner. The amount of a penalty imposed pursuant to section 290.92, subdivision 15, clause (9), shall be deducted from the balance due before application of the 20 percent reduction. Payment must be received by the commissioner on or after August 1, 1984, but before November 1, 1984. For purposes of this section, "received" means actual receipt by the commissioner either at the St. Paul office or at any field office of the department of revenue on or before the final date allowed for payment under this program.

In the case of a taxpayer who has failed to file returns which if filed on February 1, 1984, would be considered delinquent returns, the commissioner shall accept the delinquent returns along with payment of all tax and interest if payment is made by certified check, cashier's check, or money order and received by the commissioner on or after August 1, 1984, but before November 1, 1984. For delinquent returns filed pursuant to this program, the civil and criminal penalties imposed by law are waived unless the commissioner later finds that the tax as shown on any return was understated by 25 percent or more. In that case the civil and criminal penalties are reinstated, and the commissioner shall collect the civil penalties and may pursue the criminal penalties.

There will not be another tax amnesty before October 1, 1994.

Sec. 2. [270.72] [TAX CLEARANCE; ISSUANCE OF LICENSES.]

Subdivision 1. [TAX CLEARANCE REQUIRED.] The state or a political subdivision of the state may not issue or renew a license for the conduct of a profession, trade, or business, if the commissioner notifies the licensing authority that the applicant owes the state delinquent taxes, penalties, or interest. The commissioner may not notify the licensing authority unless the applicant taxpayer owes \$1,000 or more in delinquent taxes. A licensing authority that has received a notice from the commissioner may issue or renew the applicant's license only if (a) the commissioner issues a tax clearance certificate and (b) the commissioner or the applicant forwards a copy of the clearance to the authority. The commissioner may issue a clearance certificate only if the applicant does not owe the state any uncontested delinquent taxes, penalties, or interest.

Subd. 2. [DEFINITIONS.] For purposes of this section, the following terms have the meanings given.

(a) "Taxes" are limited to withholding tax as provided in section 290.92, sales and use tax as provided in chapter 297A, and motor vehicle excise tax as provided in chapter 297B. Penalties and interest are limited to penalties and interest due on taxes included in this definition.

(b) "Delinquent taxes" do not include a tax liability if (i) an administrative or court action which contests the amount or validity of the liability has been filed or served, (ii) the appeal period to contest the tax liability has not expired, or (iii) the applicant has entered into a payment agreement and is current with the payments.

(c) "Applicant" means an individual if the license is issued to or in the name of an individual or the corporation or partnership if the license is issued to or in the name of a corporation or partnership.

Subd. 3. [NOTICE AND HEARING.] If the commissioner notifies a licensing authority pursuant to subdivision 1, he must send a copy of the notice to the applicant. In the case of the renewal of a license if the applicant requests, in writing, within 30 days of the receipt of the notice a hearing, a contested case hearing must be held. The hearing must be held within 45 days of the date the commissioner refers the case to the office of administrative hearings. The hearing must be held under the procedures provided by section 270A.09 and the administrative rules promulgated under chapter 270A.

Subd. 4. [LICENSING AUTHORITY; DUTIES.] All licensing authorities must require the applicant to provide his social security number and Minnesota business identification number on all license applications. Upon request of the commissioner, the licensing authority must provide the commissioner with a list of all applicants, including the name, address, business name and address, social security number, and business identification number of each applicant. The commissioner may request from a licensing authority a list of the applicants no more than once each calendar year.

Subd. 5. [REPEALER.] This section is repealed effective December 1, 1986.

ARTICLE 9

RAILROADS

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 [APPORIONMENT AND EQUALIZATION OF VALUATION.]

Subdivision 1. [APPORIONMENT 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 countrywide 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 determine 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 certain 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.

The county auditor shall certify to the commissioner of revenue the dollar amount of the refunds paid to the railroads by the county and each city, town, school district, and special taxing district or portion thereof which is located within the county. The certification must be made on the forms and completed by the date prescribed by the commissioner. The commissioner of reve-

nue shall review the certification and make changes in the certification that he determines are necessary. The amounts of the abatements for a taxing district which is located in more than one county shall be aggregated. The commissioner shall determine the amount to be paid to each county, city, town, and special taxing district which shall be equal to the amount of the abatement in excess of 20 cents per capita for each county, city, town, and special taxing district. The commissioner shall determine the amount to be paid to each school district which shall be equal to the amount of the abatement in excess of one dollar per pupil unit for the school district. The 20 cents per capita and the one dollar per pupil unit shall relate to the combined abatement amount for all railroads for both 1981 and 1982 for each county, city, town, school district, and special taxing district. The commissioner shall pay each taxing district as soon as practicable after certification, but not before January 1, 1985.

This appropriation is available the day after final enactment until expended.

A county, city, town, school district, and special taxing district may include an additional amount in its property tax levy for taxes payable in 1985 equal to the difference between the amount of tax and interest refunded to a railroad company whose valuation was ordered reduced by the tax court and the amount reimbursed to the taxing district by the state pursuant to this section. Amounts levied for this purpose shall be considered outside of any levy limitations applicable to the taxing district. In the case of a school district, only the amount of abatement not reimbursed under this section may be considered in the computation of abatement aid under section 124.214, subdivision 2.

Sec. 6. [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.

ARTICLE 10

AGRIPROCESSING

Section 1. [41A:01] [PURPOSE.]

Sections 1 to 6 provide a framework for an agricultural resource loan guaranty program, the purposes of which are to further the development of the state's agricultural resources and improve the market for its agricultural products. 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 proj-

ects 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 subrogation 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, the commissioner of energy and economic development, 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 PROJECT; PROJECT.] "Agricultural resource 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 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 subject to section 16A.80 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 docu-

mentation 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 commitment 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 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 receipts 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 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 shall adopt rules which are subject to the provisions of chapter 14. The board may adopt temporary rules which may be effective until December 31, 1985.*

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 ex-*

tending 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 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.07] [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 \$12,000,000. 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 article is effective the day following final enactment.

ARTICLE 11

SALES RATIOS

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 FURNISHED BY ANY COUNTY AUDITOR IS NOT BASED UPON THE MARKET VALUE OF TAXABLE PROPERTY IN SUCH DISTRICT, THEN SAID COMMITTEE SHALL CALL UPON THE DEPARTMENT OF REVENUE TO ASCERTAIN THE MARKET VALUE OF SUCH PROPERTY, AND ADJUST SUCH VALUES AS REQUIRED BY LAW TO DETERMINE THE ADJUSTED ASSESSED VALUATION) *The department of revenue shall 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 meth-*

odology 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 Procedure 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 railroad company 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 ten 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 as-

essed 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 railroad company 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 ten 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 on the grounds of discrimination 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 the assessment ratio of the subject property by at least ten percent.

If the above criteria are met and a reduction in value on the grounds of discrimination is granted based upon the sales ratio study, the reduction shall reflect only the difference between the assessment/sales ratio of the subject property and 110 percent of the median ratio of the class of property of the subject property.

Sec. 6. [EFFECTIVE DATE.]

Sections 2 and 4 are effective for the 1985 assessment and thereafter, payable 1986 and thereafter. Sections 1, 3, and 5 are effective the day following final enactment.

ARTICLE 12

CHARITABLE GAMBLING

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 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 18 members appointed as follows:

- (1) eleven persons appointed by the governor, at least four of whom must reside outside of the seven-county metropolitan area;*
- (2) the commissioner of public safety or his designee; and*
- (3) 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. Of the appointees of the governor not more than six 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. Of the members appointed by the governor, three are for terms expiring June 30, 1985, four are for terms expiring June 30, 1986, and four are for terms expiring June 30, 1987. After

the expiration of the initial terms, appointments 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.*

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.

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 offense; 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 equip-

ment. 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 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 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 in-

clude 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 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. 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, 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 article, 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 article minus the amount appropriated by law from the general fund to the board for its expenses and operations. The net revenue so certified shall be expended by legislative appropriation to the department of education for expenditure, in consultation with the state arts board, as grants for programs, construction, maintenance, and operation of one or more schools for the arts located within the state, or the purposes recommended by the Minnesota school for the arts planning task force except that any part of the amount so certified which is not appropriated for the purposes set forth in this subdivision may be appropriated for any other purpose.

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, and may require a permit for the conduct of gambling exempt from licensing under section 349.214. The authority granted by this subdivision does not include the authority to require a license or permit to conduct gambling by organizations licensed by the board.

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. [GROSS MISDEMEANOR.] Any other violation of sections 349.11 to 349.214 is a gross misdemeanor.

Subd. 2. [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. County attorneys have primary responsibility for prosecuting violations of sections 349.11 to 349.214, but the attorney general may prosecute any violation of those sections.

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 article and ending June 30, 1985, the sum of \$556,000, or so much thereof as is necessary to carry out the purposes of this article.

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 article 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.

ARTICLE 13**LOCAL PROVISIONS**

Section 1. Minnesota Statutes 1982, section 458.14, is amended to read:

458.14 [RIGHT TO LEVY TAXES OR ASSESSMENTS FORBIDDEN.]

Subdivision 1. [TAX LEVY BY CITY.] The port authority shall have no right or authority to levy any tax or special assessment, nor to pledge the credit of the state, or any other subdivision or municipal corporation thereof; nor to incur any obligation enforceable upon any property, either within or without the port district, other than property owned by the port authority. Annually, at such time as may be fixed by charter, resolution, or ordinance of the city in and for which any such port authority is created, the port authority shall transmit to the council of such city a detailed estimate, in writing, of the amount of money which in its opinion will be required for the business and proper conduct of its affairs during the next ensuing fiscal year, in excess of any expected receipts from the conduct of its business, or other sources, and any such city, in addition to all other powers now possessed thereby, and in addition to, and in excess of any limitation upon the amount it is otherwise permitted by law to levy as taxes, **(IS HEREBY GRANTED THE POWER AND AUTHORITY, IN ITS DISCRETION, TO)** shall, at the request of the port authority, levy taxes for the benefit of, and for expenditure by, such port authority, not exceeding in any one year an amount equal to a tax of **(FIVE ONE-HUNDREDTHS OF ONE MILL)** .75 mill upon the dollar of the assessed valuation thereof, upon all the taxable property in such city, excluding money and credits, and any amount so levied for such purposes shall be paid over by the city treasurer to the treasurer of the port authority, for expenditure by it, as above provided. The fiscal year of such port authority shall be identical with the fiscal year of such city; provided that any seaway port authority may, by resolution, adopt a fiscal year based on the international shipping season through the St. Lawrence Seaway, independent of the fiscal year of the city in which the seaway port authority is located. The board of county commissioners of any county in which any such city is located, is also hereby authorized to appropriate for the use of such port authority, and to include therefor

in its levy for general revenue purposes, such amount as it may deem proper; provided, that the total amount permitted by law to be levied by any county for general revenue purposes shall not be deemed increased by this provision; the board of county commissioners in any county entitled to appoint members of a seaway port authority, may annually, upon receipt of a budget as specified above from such port authority, in its discretion levy a tax sufficient to produce a sum not exceeding \$50,000 for the benefit of and for expenditure by such port authority to defray the costs of its current operations in the next ensuing fiscal year which levy shall not be included in computing the amount of levies subject to tax limitations under chapter 275 or any other provision of law. The appropriation to a port authority of moneys derived from any of the county taxes herein authorized shall not be subject to any budgetary law applicable to said county. Any amounts so appropriated or levied by the county shall be paid over by the county treasurer to the port authority for expenditure by it as herein provided, at such times and in such manner as the county board may provide. When any city entitled to appoint members of a seaway port authority has secured the approval of two-thirds of the members of the city council of such city to issue its general obligation bonds, the proceeds of which are to be appropriated to such seaway port authority, the board of county commissioners of any county entitled to appoint members of such seaway port authority may by five-sevenths vote issue general obligation bonds of the county in an amount not to exceed \$4,000,000, and appropriate the proceeds thereof to be used by such port authority for any or all of the purposes specified in section 458.15, if the county board by resolution determines that the conservation, development, reclamation, protection and improvement of lands under the jurisdiction of such port authority and the construction of port facilities thereon will promote the public welfare of the county at large and the economic well-being of its people, industries and commerce, and is an essential governmental function of the county, and can best be performed through the medium of such port authority. Any such bonds shall be issued, sold and secured as provided in sections 475.60 to 475.753; an election shall not be necessary to the validity of such bonds.

Subd. 2. [REVERSE REFERENDUM.] If a city proposes to increase the levy of the city for port authority purposes pursuant to subdivision 1, it shall pass a resolution stating the amount by which the levy limit base is proposed to be increased. Thereafter, the resolution shall be published for two successive weeks in the official newspaper of the city or if there is no official newspaper, in a newspaper of general circulation in the city, together with a notice fixing a date for a public hearing on the proposed increase. The hearing shall be held not less than two weeks nor more than four weeks after the first publication of the resolution. Following the public hearing, the city may determine to take no further action or, in the alternative, adopt a resolution authorizing the increase as originally proposed or approving an increase in the lesser amount it determines. The

resolution authorizing an increase shall be published in the official newspaper of the city if there is no official newspaper, in a newspaper of general circulation in the city. If within 30 days thereafter a petition signed by voters equal in number to five percent of the votes cast in the city in the last general election requesting a referendum on the proposed resolution is filed with the clerk the resolution shall not be effective until it has been submitted to the voters at a general or special election and a majority of votes cast on the question of approving the resolution are in the affirmative. The commissioner of revenue shall prepare a suggested form of question to be presented at the referendum. The referendum must be held at a special or general election prior to October 1 of the year for which the levy increase is proposed.

Sec. 2. 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. 3. [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. 4. [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 3 to 5 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. 5. [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. 6. [CROFT HISTORICAL PARK TAX.]

The Croft Historical Park Board, hereafter referred to in sections 6 and 7 as the "board," is created. The Croft Historical Park District, hereafter referred to in sections 6 and 7 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 7, 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. 7. [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 may certify a levy to the Crow Wing county auditor as soon as practical following the referendum and in each subsequent year thereafter.

Sec. 8. [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. 9. [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. 10. [CITY OF BREEZY POINT; LEVY LIMIT INCREASE.]

Subdivision 1. [AUTHORIZATION.] The limitation imposed upon the levy of the city of Breezy Point by Minnesota

Statutes, section 275.11, is increased by \$125,000 for taxes levied in 1984 and thereafter.

Subd. 2. [REVERSE REFERENDUM.] If the Breezy Point city council proposes to increase the levy limit base of the city pursuant to subdivision 1, it shall pass a resolution stating the amount by which the levy limit base is proposed to be increased. Thereafter, the resolution shall be published for two successive weeks in the official newspaper of the city or if there is no official newspaper, in a newspaper of general circulation in the city, together with a notice fixing a date for a public hearing on the proposed increase. The hearing shall be held not less than two weeks nor more than four weeks after the first publication of the resolution. Following the public hearing, the city may determine to take no further action or, in the alternative, adopt a resolution authorizing the increase as originally proposed or approving an increase in the lesser amount it determines. The resolution authorizing an increase shall be published in the official newspaper of the city or if there is no official newspaper, in a newspaper of general circulation in the city. If within 30 days thereafter a petition signed by voters equal in number to five percent of the votes cast in the city in the last general election requesting a referendum on the proposed resolution is filed with the clerk the resolution shall not be effective until it has been submitted to the voters at a general or special election and a majority of votes cast on the question of approving the resolution are in the affirmative. The commissioner of revenue shall prepare a suggested form of question to be presented at the referendum. The referendum must be held at a special or general election prior to October 1, 1984.

Sec. 11. [APPLICABILITY.]

On its effective date, section 10 applies to the city of Breezy Point.

Sec. 12. [CITY OF OAKDALE; LEVY LIMIT INCREASE.]

The limitation imposed upon the levy of the city of Oakdale by Minnesota Statutes, sections 275.50 to 275.56 is increased by \$100,000 for taxes levied in 1984, 1985, and 1986. This amount is not subject to the penalty provisions of section 275.51, subdivision 4. In computing the levy limit base for taxes levied in 1987, \$100,000 shall be subtracted from the adjusted levy limit base for taxes levied in 1986.

Sec. 13. [REVERSE REFERENDUM.]

If the Oakdale city council proposes to increase the levy limit base of the city pursuant to section 12, it shall pass a resolution stating the amount by which the levy limit base is proposed to be increased. Thereafter, the resolution shall be published for

two successive weeks in the official newspaper of the city or if there is no official newspaper, in a newspaper of general circulation in the city, together with a notice fixing a date for a public hearing on the proposed increase. The hearing shall be held not less than two weeks nor more than four weeks after the first publication of the resolution. Following the public hearing, the city may determine to take no further action or, in the alternative, adopt a resolution authorizing the increase as originally proposed or approving an increase in the lesser amount it determines. The resolution authorizing an increase shall be published in the official newspaper of the city or if there is no official newspaper, in a newspaper of general circulation in the city. If within 30 days thereafter a petition signed by voters equal in number to ten percent of the votes cast in the city in the last general election requesting a referendum on the proposed resolution is filed with the clerk the resolution shall not be effective until it has been submitted to the voters at a general or special election and a majority of votes cast on the question of approving the resolution are in the affirmative. The commissioner of revenue shall prepare a suggested form of question to be presented at the referendum. The referendum must be held at a special or general election prior to October 1, 1984.

Sec. 14. [APPLICABILITY.]

On its effective date, sections 12 and 13 apply to the city of Oakdale.

Sec. 15. [MORRISON COUNTY LAND CONVEYANCE.]

The state of Minnesota shall convey to Richard T. Peterson, Route #6, Little Falls, 56345, any land in Morrison County owned by him in 1977 which became forfeited for unpaid property taxes after 1977. The attorney general shall prepare appropriate instruments of conveyance with a precise description of all land subject to this section. The price for the land shall be the same as that provided for a redemption under Minnesota Statutes, section 281.02.

Sec. 16. [EFFECTIVE DATE.]

Section 2 is effective for sales after June 30, 1984. Sections 3 to 5 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 6 and 7 are effective May 1, 1984. Section 8 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. Pursuant to Minnesota Statutes, section 645.023, subdivision 1, clause (a), sections 10 and 11 are effective without local approval the day after final enactment. Pursuant to Minnesota Statutes, section 645.023, subdivision 1,

clause (a), sections 12, 13, and 14 are effective without local approval the day after final enactment.

ARTICLE 14

MISCELLANEOUS

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. A negotiated contract or agreement between a vendor and a state agency which requires an audit by the state agency prior to acceptance and payment of the vendor's invoice shall not be considered past due until 30 days after the completion of the audit by the state agency. 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 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.

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 240.18, is amended to read:

240.18 [BREEDERS FUND.]

The commission shall establish a Minnesota breeders fund with the money paid to it under section 240.15, subdivision 1. The commission, after paying the current costs of administering the fund, shall distribute the available net proceeds as follows:

(1) Twenty percent of the (REMAINING) *available* money in the fund must be expended as grants for equine research and related education at public institutions of post-secondary learning within the state.

(2) After deducting the amount for (1), the balance of the (FUND) *available proceeds* shall be apportioned into categories corresponding with the various breeds of horses which (RACED) *are racing* at licensed Minnesota racetracks (IN THE PREVIOUS YEAR), in proportion to each category's contribution to the fund. The *available* funds in each category may be expended by the commission to:

(a) supplement purses for races held exclusively for Minnesota-bred, Minnesota-foaled or Minnesota-owned horses until January 1, (1986) 1988, and for Minnesota-bred and Minnesota-foaled horses after that date;

(b) pay breeders or owners awards to the breeders or owners of Minnesota-bred horses which win money at licensed racetracks in the state; and

(c) provide other financial incentives to encourage the horse breeding industry in Minnesota.

The commission shall adopt rules governing the distribution of the fund. The commission may establish advisory committees to advise it on the distribution of money under this section, provided that the members of an advisory committee shall serve without compensation.

Sec. 3. Minnesota Statutes 1982, section 270A.03, subdivision 5, is amended to read:

Subd. 5. "Debt" means a legal obligation of a natural person to pay a fixed and certain amount of money, which equals or exceeds \$25 and which is due and payable to a claimant agency. The term includes criminal fines imposed under section 609.10. A debt may arise under a contractual or statutory obligation, a court order, or other legal obligation, but need not have been reduced to judgment. A debt does not include (1) any legal obligation of a current recipient of assistance which is based on overpayment of an assistance grant, or (2) any legal obligation to pay a claimant agency for medical care, including hospitalization if the debtor qualified for a low income credit equal to tax liability pursuant to section 290.06, subdivision 3d, clause (1), at the time when the medical care was rendered.

Sec. 4. 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.*

Sec. 5. Minnesota Statutes 1982, section 270A.08, subdivision 1, is amended to read:

Subdivision 1. Not later than five days after the claimant agency has sent notification to the department pursuant to section 270A.07, subdivision 1, the claimant agency shall send a written notification to the debtor asserting the right of the claimant agency to the refund or any part thereof. *If the notice is returned to the claimant agency as undeliverable, or the claimant agency has reason to believe the debtor did not receive the notice, the claimant agency shall obtain the current address of the debtor from the commissioner and resend the corrected notice.*

Sec. 6. Minnesota Statutes 1982, section 270A.08, subdivision 2, is amended to read:

Subd. 2. (a) This written notice shall clearly and with specificity set forth the basis for the claim to the refund 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 and, further, shall advise the debtor of the claimant agency's intention to request set-off of the refund against the debt.

(b) The notice will also advise the debtor of his right to contest the validity of the claim at a hearing. The debtor must assert this right by written request to the claimant agency, which request the agency must receive within 45 days of the mailing date of the original notice or of the corrected notice, as required by subdivision 1. *If the debtor has not received the notice, the 45 days shall not commence until the debtor has received actual notice. The debtor shall have the burden of showing no notice and shall be entitled to a hearing on the issue of notice as well as on the merits.*

Sec. 7. 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. 8. 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. 9. 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. 10. 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. 11. 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. 12. 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. 13. 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. 14. Minnesota Statutes 1982, section 341.05, is amended to read:

341.05 [DUTIES.]

Subdivision 1. The board of boxing shall have charge and supervision of all boxing and sparring exhibitions held in the state and have power:

(1) To promulgate rules governing the conduct of boxing and sparring exhibitions and the time and place thereof;

(2) To issue licenses to individuals or organizations desiring to promote or conduct boxing or sparring exhibitions, and to suspend or revoke the licenses at its pleasure; every application for a license shall designate the territory in which the individual or organization intends to operate, and the license granted shall entitle the licensee to conduct the exhibitions in that territory and in no other.

(THE COMMISSIONER OF REVENUE SHALL COLLECT FIVE PERCENT OF THE GROSS RECEIPTS FROM ADMISSION TO EVERY BOXING AND SPARRING EXHIBITION OTHER THAN AN AMATEUR BOXING AND SPARRING EXHIBITION HELD WITHIN THE STATE, AND FIVE PERCENT OF THE GROSS RECEIPTS FROM THE LEASE

OR SALE OF RADIO, MOTION PICTURE, AND TELEVISION RIGHTS THEREIN.)

(ALL COMPLIMENTARY TICKETS FOR A BOXING AND SPARRING EXHIBITION OTHER THAN AN AMATEUR BOXING AND SPARRING EXHIBITION PRESENTED AT ANY ENTRANCE GATE SHALL LIKEWISE BE ASSESSED FOR THE TAX HEREIN PROVIDED FIVE PERCENT OF THE VALUE THEREOF. ALL MONEYS SO COLLECTED SHALL BE PAID INTO THE STATE TREASURY.)

Subd. 2. The board of boxing shall issue a license to a person or organization holding, showing, or exhibiting a simultaneous telecast of any live, current, or spontaneous boxing or sparring match, exhibition, or performance on a closed circuit telecast or subscription television program viewed within the state, whether originating in this state or elsewhere, and for which a charge is made. Each such person or organization shall apply for such a license in advance of each showing (AND SHALL WITHIN 24 HOURS AFTER THE TERMINATION OF SUCH SHOWING FURNISH THE COMMISSIONER OF REVENUE A WRITTEN REPORT, DULY VERIFIED BY AN AUTHORIZED PERSON, SHOWING THE NUMBER OF TICKETS SOLD FOR SUCH SHOWING, THE AMOUNT OF THE GROSS PROCEEDS THEREOF, AND SUCH OTHER MATTERS AS THE COMMISSIONER OF REVENUE MAY PRESCRIBE; AND SHALL ALSO, WITHIN 24 HOURS AFTER THE TERMINATION OF SUCH SHOWING, PAY TO THE COMMISSIONER OF REVENUE FIVE PERCENT OF THE GROSS RECEIPTS FROM THE SALE OF TICKETS OF ADMISSION OR MONEYS RECEIVED FROM SUBSCRIPTION FOR THE SHOWING OR EXHIBITING OF SAID BOXING OR SPARRING MATCH, EXHIBITION, OR PERFORMANCE. IF THE BOXING OR SPARRING MATCH, EXHIBITION, OR PERFORMANCE IS WHOLLY AMATEUR NO PAYMENT IS DUE).

Whoever violates the provisions of this subdivision is guilty of a misdemeanor and may be punished therefor as provided by law. The penalty herein provided is in addition to any other penalty for violation of this subdivision as may be otherwise fixed in this chapter.

Sec. 15. Minnesota Statutes 1982, section 473.595, subdivision 1, is amended to read:

Subdivision 1. [ADMISSION TAX.] Effective January 1, 1978, the commission shall by resolution impose a three percent admission tax upon the granting, sale, or distribution, by any private or public person, association, or corporation, of the privilege of admission to activities; except for those activities sponsored at the indoor public assembly facility at the metro-

opolitan sports area known as the metropolitan sports center. Commencing with the operation of sports facilities constructed or remodeled by the commission pursuant to sections 473.551 to 473.595, the commission shall impose an additional seven percent admission tax upon activities conducted at such sports facilities. Effective January 1, 1978, no other tax, except the taxes imposed by chapter 297A, may be levied by any other unit of government upon any such sale or distribution. The admission tax shall be stated and charged separately from the sales price so far as practicable and shall be collected by the grantor, seller, or distributor from the person admitted and shall be a debt from that person to the grantor, seller, or distributor, and the tax required to be collected shall constitute a debt owed by the grantor, seller, or distributor to the commission, which shall be recoverable at law in the same manner as other debts. Every person granting, selling, or distributing tickets for such admissions may be required, as provided in resolutions of the commission, to secure a permit, to file returns, to deposit security for the payment of the tax, and to pay such penalties for nonpayment and interest on late payments, as shall be deemed necessary or expedient to assure the prompt and uniform collection of the tax.

Notwithstanding any other provisions of this subdivision, the imposition of an admission tax upon a national superbowl football game conducted at the commission's facilities is discretionary with the commission.

Sec. 16. [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. 17. [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. 18. [APPROPRIATION.]

There is appropriated from the general fund to the finance department for fiscal year 1985 the sum of \$240,000 for the operating expenses of the tax study commission. The approved complement of the tax study commission for fiscal year 1985 is seven. This appropriation is available until February 28, 1985.

Sec. 19. H. F. No. 1393, article 9, section 9, if enacted during the 1984 regular session, is amended to read:

Sec. 9. [EDUCATION AIDS INCREASE ACCOUNT.]

Subdivision 1. [ESTABLISHMENT.] There is established an education aids increase account in the general fund of the state treasury for the deposit of funds to insure adequate funding for increases in aids to school districts for the biennium beginning July 1, 1985.

Subd. 2. [INITIAL TRANSFER.] The commissioner of finance shall transfer (\$23,000,000) \$21,700,000 to the education aids increase account on July 1, 1984.

Subd. 3. [CONTINGENT TRANSFERS.] If forecasts of general fund revenues and expenditures prepared by the commissioner of finance pursuant to chapter 16A prior to December 1, 1984, indicate a projected general fund balance for the biennium ending June 30, 1985, the commissioner shall transfer the amount of the balance to the education aids increase account; however, in no case shall the cumulative total of all transfers according to this subdivision exceed (\$27,000,000) \$28,300,000. Transfers to the education aids increase account shall remain in the account until expended.

Subd. 4. [EXPIRATION OF ACCOUNT.] The education aids increase account shall expire on June 30, 1987. Any unexpended moneys in the education aids increase account on June 30, 1987, shall be transferred to the general fund.

Sec. 20. [REPEALER.]

(a) *Minnesota Statutes 1982, section 290.06, subdivision 13, is repealed.*

(b) *Minnesota Statutes 1982, section 270.051, is repealed.*

Sec. 21. [EFFECTIVE DATE.]

Section 1 is effective July 1, 1984, and applies to all payments due on or after that date. Section 3 is effective for amounts

remitted or transferred to a claimant agency after the day of final enactment. Sections 10 to 13 and 20, paragraph (a), are effective for taxable years beginning after December 31, 1984. Sections 14 and 20, paragraph (b), are effective July 1, 1984. Section 19 is effective the day after final enactment."

Delete the title and insert:

"A bill for an act relating to financing and operation of government in this state; increasing the budget reserve account; repealing the income tax surtax; providing a tax amnesty; increasing the school agricultural credit; providing for distribution of proceeds from Minnesota breeders fund; changing notice provisions and qualifying debts under the revenue recapture capture act; clarifying the application of the mortgage registry tax to revolving lines of credit; changing refund procedure of motor fuels tax; abolishing the excise tax on boxing; changing the maximum property tax levy of Duluth port authority; exempting hot water heating from St. Paul franchise tax; giving certain powers to the Ramsey-Washington metro watershed district; creating the Croft Historical Park board; giving the city of Cloquet power to contract and levy for public transportation; providing for the conveyance of certain lands in St. Louis County and Morrison County; authorizing levy limit increases for the cities of Breezy Point and Oakdale; abolishing rent capitalization and providing for study by the department of revenue; imposing requirements for disaster relief property tax credits; changing certain assessment ratios; changing eligibility for certain assessment ratios; changing homestead classification treatment; changing property tax statement requirements; delaying imposition of a property tax penalty; providing for notice of sale of certain tax forfeited lands; changing computation of payments in lieu; requiring tax clearance prior to issuance of certain licenses; restoring local government aid payments for 1984; modifying the computation formula for local government aids; providing for a local government aids study commission; changing designation and funding for enterprise zones; changing procedures and eligibility for certain business income tax credits; allowing or increasing income tax deductions for certain dividends and royalties; restricting tax exemptions for redevelopment companies; providing grants for plant expansions; adjusting the computation of taxes on taconite and iron ore and authorizing certain refunds and credits; modifying distributions from the proceeds of the taconite tax; changing computation of agricultural, homestead, and taconite homestead credits; allowing taxing districts to levy for certain purposes; changing the definition of political party for purposes of the political contribution credit; changing the income tax pension exclusion; altering certain gross income modifications; increasing the tuition deduction; providing for the adjustment of income under the farm loss modification; providing for the determination of sales within the state for income tax purposes; changing or eliminating withholding on parimutuel winnings

and purses; reenacting rental registration provisions; establishing an agricultural resource loan guaranty program; regulating charitable gambling; requiring prompt payment by state agencies; providing that certain admission taxes are discretionary with the metropolitan sports facilities commission; changing certain transfers to the education aids increase account; exempting sales of candy by nonprofit youth organizations from the sales tax; changing certain provisions relating to sales ratios and property tax appeals; including logging equipment in the definition of farm machinery; providing a reduced sales tax rate on capital equipment and special tooling; exempting hot water and certain manufactured homes from the sales tax; exempting certain vehicles used in interstate commerce; providing that sales of certain leased vehicles are not exempt; simplifying hydropower lease procedures; clarifying certain exempt land; modifying the definition of wetlands; extending availability of confession of judgment procedures to certain nonhomestead property; modifying and extending the targeting credit for certain years; providing property tax reimbursement for certain transit levies; changing certain procedures for valuing railroad property; providing certain refunds for railroad abatements; appropriating money; amending Minnesota Statutes 1982, sections 10A.31, subdivisions 3a and 5; 105.482, subdivisions 8 and 9; 124.2131, subdivision 1; 270.04, subdivision 2; 270.80, subdivision 4; 270.84, subdivision 1; 270.86; 270.87; 270A.03, subdivision 5; 270A.08, subdivisions 1 and 2; 271.01, subdivision 5; 271.06, subdivision 6; 272.02, by adding a subdivision; 273.123, by adding subdivisions; 273.13, subdivision 19; 273.135, subdivisions 2 and 5; 273.1391, subdivisions 2 and 4; 273.19, by adding a subdivision; 279.37, subdivisions 1 and 3; 287.05, by adding subdivisions; 290.06, by adding a subdivision; 290.08, by adding a subdivision; 290.19, subdivision 1a; 290.21, by adding a subdivision; 290.61; 290A.04, by adding a subdivision; 295.44, subdivision 1; 296.18, subdivisions 3 and 8; 297A.01, subdivision 15, and by adding subdivisions; 297A.15, by adding a subdivision; 297A.44, subdivision 1; 297B.035, subdivision 3; 298.01; 298.02, subdivision 1; 298.031, subdivision 2; 298.225; 298.24, subdivision 1, and by adding a subdivision; 298.40, by adding a subdivision; 299.012, subdivision 1; 341.05; 349.11; 349.12; 349.13; 349.14; 349.15; 349.16; 349.17; 349.18; 349.19; 349.20; 349.21; 349.22; 349.31, subdivision 1; 362A.01, subdivision 1; 362A.05; 458.14; 462.651, subdivision 1, and by adding a subdivision; 473.595, subdivision 1; 477A.13; Minnesota Statutes 1983 Supplement, sections 16A.15, subdivision 6; 124.2137, subdivision 1; 240.18; 272.02, subdivision 1; 273.11, subdivision 1; 273.13, subdivisions 6, 7, 9, 17, 17b, 17c, and 21; 273.1312, subdivision 4; 273.1314, subdivisions 6, 8, and 15; 275.125, subdivisions 11a, 11b, and 12a; 276.04; 278.01, subdivision 1; 278.05, subdivision 4; 279.01, subdivision 1; 290.01, subdivisions 20a and 20b; 290.06, subdivision 11; 290.069, subdivisions 1, 2, 4, 5, and by adding subdivisions; 290.089, subdivision 2; 290.09, subdivision 29; 290.18, subdivision 2; 290.21, subdivision 4; 290.92, subdivisions 27 and 28; 290A.04, subdivisions 2e and 2f; 296.14,

subdivision 4; 296.18, subdivision 1; 297A.02, subdivision 2, and by adding a subdivision; 297A.14; 297A.25, subdivision 1; 297B.03; 298.28, subdivision 1; 340.14, subdivision 2; 473.446, subdivision 1; 477A.013, subdivisions 1 and 2; 477A.0131, subdivision 1; 609.75, subdivision 3; 609.761; amending Laws 1979, chapter 189, section 2; Laws 1982, Second Special Session, chapter 2, sections 12, as amended, and 14, as amended; Laws 1983, chapter 342, article 1, section 44; 1984 Regular Session, H. F. No. 1393, article 9, section 9; proposing new law coded as Minnesota Statutes, chapter 41A; proposing new law coded in Minnesota Statutes, chapters 16A; 270; 282; 349; 362A; 507; 508; repealing Minnesota Statutes 1982, sections 270.051; 290.06, subdivision 13; 295.44, subdivisions 2, 3, and 4; 349.26; 462.651, subdivision 2; Minnesota Statutes 1983 Supplement, sections 273.11, subdivision 7; 290.06, subdivision 2e; 462.651, subdivision 3; 477A.0131, subdivision 2; and 477A.03, subdivision 2; Laws 1983, chapter 342, article 1, section 8."

We request adoption of this report and repassage of the bill.

House Conferees: JOHN D. TOMLINSON, RANDY C. KELLY, WILLIS EKEN, ELTON R. REDALEN and HARRY A. SIEBEN, JR.

Senate Conferees: DOUGLAS J. JOHNSON, COLLIN C. PETERSON, LINDA BERGLIN, STEVEN G. NOVAK and JOHN BERNHAGEN.

Tomlinson moved that the report of the Conference Committee on H. F. No. 2016 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

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 classifica-

tion 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; 297.25, 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 by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 133 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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	Gustafson	McDonald	Rice	Tunheim
Boo	Gutknecht	McEachern	Riveness	Uphus
Brandl	Halberg	McKasy	Rodosovich	Valan
Brinkman	Haukoos	Metzen	Rodriguez, C.	Valento
Burger	Heap	Minne	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	O'Connor	Schreiber	Wenzel
Dempsey	Johnson	Ogren	Seaberg	Wigley
DenOuden	Kahn	Olsen	Segal	Wynia
Dimler	Kalis	Omam	Shaver	Zaffke
Eken	Kelly	Onnen	Shea	Speaker Sieben
Elioff	Knickerbocker	Osthoff	Sherman	
Ellingson	Knuth	Otis	Simoneau	

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

ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1257:

Rice, Jacobs and Jennings.

REPORT FROM THE COMMITTEE ON RULES AND
LEGISLATIVE ADMINISTRATION

Eken, from the Committee on Rules and Legislative Administration, pursuant to rule 1.9, designated the following bill as a Special Order to be acted upon immediately:

S. F. No. 1048.

The following bills were designated as Special Orders to be added to Special Orders pending for today, Thursday, April 19, 1984:

S. F. Nos. 1736, 1435, 1520, 1235, 1974, 1492 and 2016; H. F. No. 2020; S. F. Nos. 1864, 1575, 1628, 1007, 1842 and 1862; H. F. No. 1994; S. F. No. 1883; H. F. No. 2207; S. F. Nos. 1418, 1455, 1572, 1365, 1702, 1466, 1498, 1337, 1683, 1790, 1789, 595, 1451, 1408, 1914, 1668, 282, 881, 2030, 1905 and 992; H. F. No. 2263; S. F. No. 234; H. F. No. 347; S. F. Nos. 120, 924, 1560, 1561 and 1442; H. F. Nos. 1665 and 1935; S. F. No. 1330; H. F. No. 1900; S. F. No. 1452; H. F. No. 2021; S. F. Nos. 2102, 1562 and 2043; H. F. No. 288; S. F. Nos. 1441, 1614, 1940, 1884, 1813 and 1243; H. F. No. 2134; S. F. Nos. 2109, 531 and 2083; and H. F. Nos. 2289 and 2312.

SPECIAL ORDERS

S. F. No. 1048 was reported to the House.

The Speaker called Wynia to the Chair.

Battaglia moved to amend S. F. No. 1048, the unofficial engrossment, as follows:

Page 10, after line 12, insert:

"Sec. 14. Minnesota Statutes 1983 Supplement, section 102.26, subdivision 3d, is amended to read:

Subd. 3d. In 1984 and any subsequent year an existing licensee may transfer the walleye quota allocated to him under subdivision 3a or 3b to any other existing licensee or, after July 1, 1985, he may sell the quota to the state. If a licensee sells the quota to the state, he must sell the quota for all years remaining in the quota schedule as provided in subdivision 3a or 3b. A sale to the state shall be at the present wholesale value of the quota as determined by (APPLYING THE STANDARD FORMULA FOR COMPUTING PRESENT VALUE) assuming the following: (a) an allocation to the licensee of the same proportion of the total remaining walleye quota as allocated in the year of sale; (b) (AN INTEREST RATE OF EIGHT PERCENT; AND (C) a walleye wholesale price in the round of \$1.15 per pound. A licensee may elect to receive payment for a sale to the state in a lump sum or in up to four annual installments. Any quota sold to the state shall cancel and is not available for reallocation to any

other licensee. When a walleye quota is sold to the state and canceled, the gill net license of the licensee shall be canceled."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, after the semicolon, insert "eliminating the discount on walleye buyouts;"

Page 1, line 8, delete "and" and after "5" insert "; and 102.26, subdivision 3d"

The motion prevailed and the amendment was adopted.

Osthoff was excused between the hours of 4:05 p.m. and 5:50 p.m.

Solberg and Carlson, D., moved to amend S. F. No. 1048, the unofficial engrossment, as amended, as follows:

Page 6, delete lines 13 to 36, and insert:

"Sec. 9. [MILLE LACS LAKE ANGLING SEASON IN 1984.]

Notwithstanding section 97.48, subdivision 1, the commissioner of natural resources may open the 1984 season for angling for northern pike or pickerel on Mille Lacs Lake at the same time as the opening of the angling season for walleye. The commissioner is not required to reduce the 1984 angling season for northern pike or pickerel on Mille Lacs Lake in proportion to any previous reduction of the spearing season for northern pike or pickerel."

Amend the title as follows:

Page 1, line 6, delete "97.48, subdivision 1;"

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 78 yeas and 39 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Boo	Clark, K.	Elioff	Gruenes
Anderson, R.	Brinkman	Clawson	Ellingson	Gustafson
Beard	Burger	Cohen	Erickson	Halberg
Begich	Carlson, D.	Coleman	Evans	Heap
Bergstrom	Carlson, L.	DenOuden	Fjoslien	Heinitz
Bishop	Clark, J.	Eken	Graba	Himle

Hoffman	Marsh	Onnen	Schoenfeld	Valan
Hokr	Minne	Otis	Segal	Vanasek
Johnson	Munger	Pauly	Sherman	Voss
Knickerbocker	Murphy	Peterson	Simoneau	Waltman
Kostohryz	Nelson, D.	Piper	Skoglund	Welch
Krueger	Nelson, K.	Price	Solberg	Weile
Kvam	Neuenschwander	Quist	Sparby	Wenzel
Larsen	Ogren	Rodosovich	Staten	Zaffke
Levi	Olsen	St. Onge	Tomlinson	
Mann	Omana	Scheid	Tunheim	

Those who voted in the negative were:

Battaglia	Greenfield	Ludeman	Quinn	Sviggum
Bennett	Gutknecht	McDonald	Redalen	Swanson
Brandl	Haukoos	McEachern	Rodriguez, C.	Thiede
Dempsey	Jacobs	McKasy	Rodriguez, F.	Uphus
Dimler	Kahn	Metzen	Rose	Valento
Findlay	Kalis	Norton	Sarna	Welker
Forsythe	Kelly	O'Connor	Schafer	Wynia
Frerichs	Long	Piepho	Shea	

The motion prevailed and the amendment was adopted.

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.

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.	Coleman	Haukoos	Long	Onnen
Anderson, G.	Dempsey	Heap	Ludeman	Otis
Anderson, R.	DenOuden	Himle	Mann	Pauly
Battaglia	Dimler	Hoffman	Marsh	Peterson
Beard	Eken	Hokr	McDonald	Piepho
Begich	Elioff	Jacobs	McEachern	Piper
Bennett	Ellingson	Jennings	McKasy	Price
Bergstrom	Erickson	Jensen	Metzen	Quinn
Bishop	Evans	Johnson	Minne	Quist
Blatz	Findlay	Kahn	Munger	Redalen
Boo	Fjoslien	Kalis	Murphy	Reif
Brandl	Forsythe	Kelly	Nelson, D.	Rice
Brinkman	Frerichs	Knickerbocker	Nelson, K.	Riveness
Burger	Graba	Knuth	Neuenschwander	Rodosovich
Carlson, D.	Greenfield	Kostohryz	Norton	Rodriguez, C.
Carlson, L.	Grucnes	Krueger	O'Connor	Rodriguez, F.
Clark, J.	Gustafson	Kvam	O'Gren	Rose
Clawson	Gutknecht	Larsen	Olsen	St. Onge
Cohen	Halberg	Levi	Omana	Sarna

Schafer	Shea	Sviggum	Vanasek	Wenzel
Scheid	Sherman	Swanson	Vellenga	Wigley
Schoenfeld	Simoneau	Thiede	Voss	Wynia
Schreiber	Skoglund	Tomlinson	Waltman	Zaffke
Seaberg	Solberg	Tunheim	Welch	Speaker Sieben
Segal	Sparby	Uphus	Welker	
Shaver	Staten	Valento	Welle	

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

There being no objection the order of business reverted to Messages from the Senate.

MESSAGES FROM THE SENATE, Continued

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendment to:

S. F. No. 1762, 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, subdivision 3; 363.071, by adding a subdivision; 363.116; 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.

And the Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee Ms. Reichgott and Messrs. Freeman and Storm.

Said Senate File is herewith transmitted to the House with the request that the House appoint a like committee.

PATRICK E. FLAHAVEN, Secretary of the Senate

Clark, K., moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 3 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two houses on S. F. No. 1762. The motion prevailed.

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendment to:

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.

And the Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee Mr. Spear, Mrs. Lantry, Messrs. Dieterich, Novak and Storm.

Said Senate File is herewith transmitted to the House with the request that the House appoint a like committee.

PATRICK E. FLAHAVEN, Secretary of the Senate

Norton moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 5 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two houses on S. F. No. 1349. The motion prevailed.

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendment to:

S. F. No. 1336, A bill for an act relating to crime; providing for criminal penalties and a one year driver's license revocation upon refusal by a driver suspected of driving under the influence of alcohol or a controlled substance to take a test; authorizing testing of a suspect who is unconscious or in a condition rendering the suspect incapable of refusal; restricting issuance of limited licenses for work purposes; clarifying provisions of the hit and run law; clarifying penalties imposed on certain persons convicted of driving while under the influence of alcohol or a controlled substance; clarifying provisions of the driving after revocation, suspension, or cancellation law; prescribing penalties for causing death or injury of another while operating a vehicle in a certain manner; providing for admission into evidence of certain convictions for driving offenses for impeachment purposes; authorizing issuance of limited licenses in certain circumstances; amending Minnesota Statutes 1982, sections 169.09, subdivision 4; 169.123, subdivisions 4, 5a, and 9, and by adding a subdivision; 171.24; and 171.30, subdivision 1; and Minnesota Statutes 1983 Supplement, sections 169.09, subdivisions 1, 14, and 15; 169.121, subdivision 3; 169.123, subdivisions 2 and 6; and 609.21, subdivisions 1 and 2; proposing new law coded in Minnesota Statutes, chapters 171 and 634; repealing Minnesota Statutes 1982, section 169.123, subdivision 9.

And the Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee Messrs. Pogemiller, Spear, Ramstad, Purfeerst and Freeman.

Said Senate File is herewith transmitted to the House with the request that the House appoint a like committee.

PATRICK E. FLAHAVEN, Secretary of the Senate

Vellenga moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 5 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two houses on S. F. No. 1336. The motion prevailed.

Mr. Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 1427, 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; amending Minnesota Statutes 1982, sections 3.082; 69.775; 352.113, subdivision 3; 352.95, subdivision 1a; 353.34, by adding a subdivision; 354.62, subdivision 2; 422A.18, subdivision 3; 424.24, subdivision 2; and 490.129; 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; 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.

The Senate has appointed as such committee Messrs. Frank; Moe, D. M., and Renneke.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on

the amendments adopted by the Senate to the following House File:

H. F. No. 756, A bill for an act relating to notarial acts; providing that matters to be verified by oath or affirmation can be certified under penalty of perjury; 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; changing the term of office for notaries public; increasing the bond amount; providing for transfer of notary public commissions; prescribing penalties; amending Minnesota Statutes 1982, sections 359.01; 359.02; and 609.48, subdivision 1, and by adding a subdivision; proposing new law coded in Minnesota Statutes, chapters 358 and 359.

The Senate has appointed as such committee Messrs. Jude, Spear and Sieloff.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 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 Senate has appointed as such committee Messrs. Bertram, Davis and Storm.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 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 Senate has appointed as such committee Messrs. Chmielewski, Schmitz and Mehrkens.

Said House file is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 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 Senate has appointed as such committee Mr. Pogemiller, Ms. Reichgott and Mr. Sieloff.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the Senate has acceded to the request of the House for the appointment of a new Conference Committee on the following House File:

H. F. No. 449, 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; limiting certain lobbyist contributions; 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; changing the designated amount of certain income tax payments; providing for the allocation of party accounts and 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; 10A.24; 10A.25; 10A.255; 10A.27; 10A.275; 10A.28; 10A.30; 10A.31; 10A.33; 10A.335; and 290.06, subdivision 11; proposing new law coded in Minnesota Statutes, chapter 10A; repealing Minnesota Statutes 1982, section 10A.32.

The Senate has appointed as such committee Mr. Luther; Ms. Peterson, D. C., and Mr. Pogemiller.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 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 Senate has appointed as such committee Messrs. Davis, DeCramer and Berg.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

SPECIAL ORDERS, Continued

H. F. No. 2192 was reported to the House.

There being no objection H. F. No. 2192 was temporarily laid over on Special Orders.

H. F. No. 1578 was reported to the House.

Solberg moved that H. F. No. 1578 be returned to General Orders. The motion prevailed.

S. F. No. 1407 was reported to the House.

SUSPENSION OF RULES

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, Battaglia moved that the rule therein be suspended and an urgency be declared so that S. F. No. 1407 be given its third reading and be placed upon its final passage. The motion prevailed.

Battaglia moved that the rules of the House be so far suspended that S. F. No. 1407 be given its third reading and be placed upon its final passage. The motion prevailed.

Battaglia moved to amend S. F. No. 1407, as follows:

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."

Delete the title and insert:

"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; Laws 1981, chapter 305, section 11, as amended; proposing new law coded in Minnesota Statutes, chapter 90."

The motion prevailed and the amendment was adopted.

S. F. No. 1407, 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 third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 119 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Carlson, D.	Evans	Hoffman	Kvam
Anderson, G.	Carlson, L.	Findlay	Hokr	Larsen
Battaglia	Clark, J.	Fjoslien	Jacobs	Levi
Beard	Clark, K.	Forsythe	Jennings	Long
Begich	Clawson	Graba	Jensen	Ludeman
Bennett	Cohen	Greenfield	Johnson	Mann
Bergstrom	Coleman	Gruenes	Kahn	Marsh
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.	Piper	St. Onge	Sparby	Vellenga
Nelson, K.	Price	Sarna	Stadum	Waltman
Neuenschwander	Quist	Schafer	Staten	Welch
O'Connor	Redalen	Scheid	Sviggum	Welker
Ogren	Reif	Schoenfeld	Swanson	Welle
Olsen	Rice	Schreiber	Thiede	Wenzel
Omann	Riveness	Seaberg	Tomlinson	Wigley
Onnen	Rodosovich	Shaver	Uphus	Wynia
Otis	Rodriguez, C.	Sherman	Valan	Zaffke
Pauly	Rodriguez, F.	Simoneau	Valento	Speaker Sieben
Peterson	Rose	Solberg	Vanasek	

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

H. F. No. 2186 was reported to the House.

Scheid moved to amend H. F. No. 2186, the first engrossment, as follows:

Page 2, line 1, before the comma insert "*of at least \$20,000,000 per year*"

Page 2, line 1, delete the first "*and*"

Page 2, line 3, before the semicolon insert "*, and (iii) the iron range resources and rehabilitation commissioner of at least \$25,000,000 per year*"

The motion prevailed and the amendment was adopted.

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 third time, as amended, and placed upon its final passage.

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

Those who voted in the affirmative were:

Anderson, B.	Bergstrom	Carlson, D.	Dempsey	Evans
Anderson, G.	Bishop	Carlson, L.	DenOuden	Findlay
Anderson, R.	Blatz	Clark, J.	Dimler	Fjoslien
Battaglia	Boo	Clark, K.	Eken	Forsythe
Beard	Brandl	Clawson	Elioff	Graha
Begich	Brinkman	Cohen	Ellingson	Greenfield
Bennett	Burger	Coleman	Erickson	Gruenes

Gustafson	Krueger	Olsen	St. Onge	Thiede
Cutknecht	Kvam	Omann	Sarna	Tomlinson
Halberg	Larsen	Onnen	Schafer	Tunheim
Haukoos	Levi	Otis	Scheid	Uphus
Heap	Long	Pauly	Schoenfeld	Valan
Heinitz	Mann	Peterson	Schreiber	Valento
Himle	Marsh	Piepho	Seaberg	Vanasek
Hoffman	McDonald	Piper	Segal	Vellenga
Hokr	McKasy	Price	Shaver	Voss
Jacobs	Metzen	Quinn	Shea	Waltman
Jennings	Minne	Quist	Sherman	Welch
Jensen	Munger	Redalen	Simoneau	Welker
Johnson	Murphy	Reif	Skoglund	Welle
Kahn	Nelson, D.	Rice	Solberg	Wenzel
Kalis	Nelson, K.	Riveness	Sparby	Wigley
Kelly	Neuenschwander	Rodosovich	Stadium	Wynia
Knickerbocker	Norton	Rodriguez, C.	Staten	Zaffke
Knuth	O'Connor	Rodriguez, F.	Sviggum	Speaker Sieben
Kostohryz	Ogren	Rose	Swanson	

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

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.

The bill was read for the third 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	Kvam	Piepho	Solberg
Anderson, R.	Fjoslien	Larsen	Piper	Sparby
Battaglia	Forsythe	Levi	Price	Stadium
Beard	Graba	Long	Quinn	Staten
Begich	Greenfield	Mann	Quist	Sviggum
Bennett	Gruenes	Marsh	Redalen	Swanson
Bergstrom	Guetnecht	McEachern	Riveness	Thiede
Bishop	Haukoos	McKasy	Rodosovich	Tomlinson
Blatz	Heap	Metzen	Rodriguez, C.	Tunheim
Brandl	Heinitz	Minne	Rodriguez, F.	Uphus
Brinkman	Himle	Munger	Rose	Valan
Burger	Hoffman	Murphy	St. Onge	Valento
Carlson, D.	Hokr	Nelson, D.	Sarna	Vanasek
Carlson, L.	Jacobs	Nelson, K.	Schafer	Vellenga
Clark, J.	Jennings	Neuenschwander	Scheid	Voss
Clark, K.	Jensen	Norton	Schoenfeld	Waltman
Clawson	Johnson	O'Connor	Schreiber	Welle
Cohen	Kahn	Ogren	Seaberg	Wenzel
Coleman	Kalis	Olsen	Segal	Wigley
Dempsey	Kelly	Omann	Shaver	Zaffke
Eken	Knickerbocker	Onnen	Shea	Speaker Sieben
Elioff	Knuth	Otis	Sherman	
Erickson	Kostohryz	Pauly	Simoneau	
Evans	Krueger	Peterson	Skoglund	

Those who voted in the negative were:

Anderson, G. DenOuden Welker

The bill was passed and its title agreed to.

S. F. No. 1776 was reported to the House.

SUSPENSION OF RULES

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, Elioff moved that the rule therein be suspended and an urgency be declared so that S. F. No. 1776 be given its third reading and be placed upon its final passage. The motion prevailed.

Elioff moved that the rules of the House be so far suspended that S. F. No. 1776 be given its third reading and be placed upon its final passage. The motion prevailed.

S. F. No. 1776, A bill for an act relating to real property; providing that the mortgage and contract for deed moratorium shall not be repealed until May 1, 1985; 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; amending Minnesota Statutes 1983 Supplement, sections 47.20, subdivision 15; 559.21, subdivision 6; 580.031; 583.03; 583.05; and 583.08; Laws 1983, chapter 215, section 16.

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

The question was taken on the passage of the bill and the roll was called. There were 93 yeas and 24 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Clark, K.	Kahn	Nelson, K.	Rodriguez, C.
Anderson, G.	Clawson	Kalis	Neuenschwander	Rodriguez, F.
Anderson, R.	Coleman	Kelly	Norton	St. Onge
Battaglia	Eken	Knuth	O'Connor	Sarna
Beard	Elioff	Kostohryz	Ogren	Scheid
Begich	Ellingson	Krueger	Olsen	Schoenfeld
Bennett	Erickson	Kvam	Omann	Schreiber
Bergstrom	Evans	Larsen	Onnen	Seaberg
Bishop	Graba	Mann	Otis	Segal
Boo	Greenfield	Marsh	Peterson	Shaver
Brandl	Gustafson	McEachern	Piper	Shea
Brinkman	Heap	Metzen	Price	Sherman
Burger	Hoffman	Minne	Quinn	Simoneau
Carlson, D.	Jacobs	Munger	Redalen	Skoglund
Carlson, L.	Jensen	Murphy	Reif	Solberg
Clark, J.	Johnson	Nelson, D.	Riveness	Sparby

Swanson
Tunheim
Uphus

Valan
Valento
Vanasek

Vellenga
Voss
Welch

Welle
Wenzel

Wynia
Speaker Sieben

Those who voted in the negative were:

Blatz
Dempsey
DenOuden
Dimler
Findlay

Fjoslien
Forsythe
Frerichs
Gruenes
Gutknecht

Himle
Jennings
Levi
McDonald
Quist

Rodosovich
Rose
Schafer
Stadum
Sviggum

Thiede
Waltman
Welker
Zaffke

The bill was passed and its title agreed to.

S. F. No. 2138 was reported to the House.

SUSPENSION OF RULES

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, Ogren moved that the rule therein be suspended and an urgency be declared so that S. F. No. 2138 be given its third reading and be placed upon its final passage. The motion prevailed.

Ogren moved that the rules of the House be so far suspended that S. F. No. 2138 be given its third reading and be placed upon its final passage. The motion prevailed.

Ogren moved to amend S. F. No. 2138, as follows:

Page 1, after line 11, 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.*

Page 3, line 1, delete "1 and 2" and insert "3 and 4"

Renumber the sections

Amend the title as follows:

Page 1, line 4, after "sentence" insert "and order restitution when sentence is executed"

Page 1, line 6, after "sections" insert "609.10; 609.125;"

The motion prevailed and the amendment was adopted.

The Speaker resumed the Chair.

S. F. No. 2138, 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, sections 609.135, by adding a subdivision; 609.14, subdivisions 1 and 3; and Minnesota Statutes 1983 Supplement, section 609.135, subdivision 1.

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

The question was taken on the passage of the bill and the roll was called. There were 122 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

H. F. No. 1766 was reported to the House.

Riveness moved to amend H. F. No. 1766, the first engrossment, as follows:

Page 2, line 36, delete "*in the classified civil*"

Page 3, line 1, delete everything before "*bear*"

Page 3, line 4, after "*the*" insert "*employer's work force*" and delete "*classified civil*"

Page 3, line 5, delete everything before "*bear*"

Page 4, after line 19, insert:

"Sec. 9. [471.9975] [SUITS BARRED.]

No cause of action arises before August 1, 1987 for failure to comply with the requirements of this act."

Renumber subsequent sections

Page 5, delete lines 12 to 18 and insert "*commissioner of employee relations shall report to the legislature by January 1, 1986 on the information gathered from political subdivisions.*"

Page 5, line 19, delete "*subdivisions.*"

The motion prevailed and the amendment was adopted.

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 third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 109 yeas and 16 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Ellingson	Krueger	Peterson	Shea
Anderson, G.	Erickson	Kvam	Piepho	Sherman
Anderson, R.	Evans	Larsen	Piper	Simoneau
Battaglia	Fjoslien	Levi	Price	Skoglund
Beard	Forsythe	Long	Quinn	Solberg
Begich	Greenfield	Mann	Quist	Staten
Bennett	Gruenes	Marsh	Redalen	Swanson
Bergstrom	Gustafson	McEachern	Reif	Tomlinson
Bishop	Halberg	McKasy	Rice	Tunheim
Blatz	Heap	Metzen	Riveness	Uphus
Boo	Himle	Minne	Rodosovich	Valan
Brandl	Hoffman	Munger	Rodriguez, C.	Valento
Brinkman	Hokr	Murphy	Rodriguez, F.	Vanasek
Burger	Jacobs	Nelson, K.	Rose	Vellenga
Carlson, L.	Jensen	Neuenschwander	St. Onge	Voss
Clark, J.	Johnson	Norton	Sarna	Waltman
Clark, K.	Kahn	O'Connor	Scheid	Welch
Clawson	Kalis	Ogren	Schoenfeld	Welle
Cohen	Kelly	Olsen	Schreiber	Wenzel
Coleman	Knickerbocker	Onnen	Seaberg	Wynia
Eken	Knuth	Otis	Segal	Speaker Sieben
Elioff	Kostohryz	Pauly	Shaver	

Those who voted in the negative were:

Dempsey	Frerichs	Ludeman	Stadum	Welker
DenOuden	Gutknecht	McDonald	Sviggum	Wigley
Dimler	Jennings	Schafer	Thiede	Zaffke
Findlay				

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

S. F. No. 2164 was reported to the House.

SUSPENSION OF RULES

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, Minne moved that the rule therein be suspended and an urgency be declared so that S. F. No. 2164 be given its third reading and be placed upon its final passage. The motion prevailed.

Minne moved that the rules of the House be so far suspended that S. F. No. 2164 be given its third reading and be placed upon its final passage. The motion prevailed.

S. F. No. 2164, A resolution memorializing Congress to enact H. R. 5081, the Fair Trade in Steel Act of 1984.

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

The question was taken on the passage of the bill and the roll was called. There were 89 yeas and 28 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Elioff	Larsen	Peterson	Simoneau
Anderson, R.	Ellingson	Mann	Piper	Skoglund
Battaglia	Evans	Marsh	Price	Solberg
Beard	Fjoslien	McEachern	Quinn	Sparby
Begich	Frerichs	Metzen	Redalen	Staten
Bennett	Greenfield	Minne	Reif	Swanson
Bergstrom	Gustafson	Munger	Rice	Tomlinson
Blatz	Gutknecht	Murphy	Rodosovich	Tunheim
Boo	Haukoos	Nelson, D.	Rodriguez, C.	Uphus
Brinkman	Heap	Nelson, K.	Rodriguez, F.	Vanasek
Carlson, D.	Himle	Neuenschwander	St. Onge	Voss
Carlson, L.	Hoffman	Norton	Sarna	Waltman
Clark, J.	Jacobs	O'Connor	Schafer	Welch
Clark, K.	Jensen	Ogren	Schoenfeld	Welle
Clawson	Kalis	Omann	Schoenfeld	Wenzel
Cohen	Kelly	Onnen	Seaberg	Wynia
Coleman	Kostohryz	Osthoff	Segal	Speaker Sieben
Eken	Krueger	Otis	Sherman	

Those who voted in the negative were:

Anderson, G.	Dimler	Heinitz	Pauly	Vellenga
Bishop	Erickson	Jennings	Piepho	Welker
Brandl	Findlay	Kahn	Quist	Wigley
Burger	Forsythe	Knickerbocker	Schreiber	Zaffke
Dempsey	Gruenes	Kvam	Shaver	
DenOuden	Halberg	Levi	Stadum	

The bill was passed and its title agreed to.

ANNOUNCEMENTS BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 1336:

Vellenga, Vanasek, Staten, McKasy and Bishop.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 1762:

Clark, K.; Dempsey and Cohen.

SPECIAL ORDERS, Continued

S. F. No. 2072 was reported to the House.

SUSPENSION OF RULES

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, Schoenfeld moved that the rule therein be suspended and an urgency be declared so that S. F. No. 2072 be given its third reading and be placed upon its final passage. The motion prevailed.

Schoenfeld moved that the rules of the House be so far suspended that S. F. No. 2072 be given its third reading and be placed upon its final passage. The motion prevailed.

S. F. No. 2072, 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.

The bill was read for the third 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	Clark, J.	Dempsey
Anderson, G.	Bennett	Brinkman	Clark, K.	DenOuden
Anderson, R.	Bergstrom	Burger	Clawson	Dimler
Battaglia	Bishop	Carlson, D.	Cohen	Eken
Beard	Blatz	Carlson, L.	Coleman	Elioff

Ellingson	Jensen	Munger	Rodriguez, C.	Thiede
Erickson	Johnson	Murphy	Rodriguez, F.	Tomlinson
Evans	Kahn	Nelson, K.	Rose	Tunheim
Findlay	Kalis	Neuenschwander	St. Onge	Uphus
Fjoslien	Kelly	Norton	Sarna	Valan
Forsythe	Knickerbocker	O'Connor	Schafer	Valento
Frerichs	Knuth	Ogren	Schoenfeld	Vanasek
Graba	Kostohryz	Olsen	Schreiber	Voss
Greenfield	Krueger	Omann	Seaberg	Waltman
Gruenes	Kvam	Onnen	Segal	Welch
Gustafson	Larsen	Osthoff	Shaver	Welker
Gutknecht	Levi	Otis	Shea	Welle
Halberg	Long	Pauly	Sherman	Wenzel
Haukoos	Ludeman	Piepho	Simoneau	Wigley
Heap	Mann	Piper	Skoglund	Wynia
Heinitz	Marsh	Price	Solberg	Zaifke
Himle	McDonald	Quinn	Sparby	Speaker Sieben
Hoffman	McEachern	Quist	Stadum	
Hokr	McKasy	Redalen	Staten	
Jacobs	Metzen	Rice	Sviggum	
Jennings	Minne	Rodosovich	Swanson	

The bill was passed and its title agreed to.

S. F. No. 2165 was reported to the House.

SUSPENSION OF RULES

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, Shea moved that the rule therein be suspended and an urgency be declared so that S. F. No. 2165 be given its third reading and be placed upon its final passage. The motion prevailed.

Shea moved that the rules of the House be so far suspended that S. F. No. 2165 be given its third reading and be placed upon its final passage. The motion prevailed.

S. F. No. 2165, 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 third 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	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	Gutknecht	McEachern	Riveness	Uphus
Boo	Halberg	McKasy	Rodosovich	Valan
Brandl	Haukoos	Metzen	Rodriguez, C.	Valento
Brinkman	Heap	Minne	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
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	
Eken	Knickerbocker	Osthoff	Sherman	
Elioff	Knuth	Otis	Simoneau	
Ellingson	Kostohryz	Pauly	Skoglund	

The bill was passed and its title agreed to.

S. F. No. 1976 was reported to the House.

Jacobs moved to amend S. F. No. 1976, as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 473.581, subdivision 3, is amended to read:

Subd. 3. [LIMITATIONS.] The principal amount of the bonds issued pursuant to subdivision 1, clause (a), shall not exceed the amounts hereinafter authorized. If the commission's proposal and the construction contracts referred to in clause (g) of this subdivision provide for the construction of a covered multipurpose sports facility, the total cost of constructing the facility under the construction contracts, not including costs paid from funds provided by others, and the principal amount of bonds issued pursuant to subdivision 1, clause (a), shall be limited to \$55,000,000. If the commission's proposal and the construction contracts do not provide for the construction of a cover on a proposed multipurpose sports facility and the commission does not otherwise contract for the construction or acquisition of a cover for the sports facility, the principal amount shall be limited to \$42,000,000. If the commission's proposal and

the construction contracts provide for the construction of a new sports facility for football and soccer and for remodeling the existing metropolitan stadium for baseball, the principal amount shall be limited to \$37,500,000. If the commission's proposal and the construction contracts provide for the reconstruction and remodeling of the existing metropolitan stadium as an uncovered multipurpose sports facility, the principal amount shall be limited to \$25,000,000. The bonds issued pursuant to subdivision 1, clause (a), shall bear an average annual rate of interest, including discount, not in excess of 7-1/2 percent. The proceeds of the bonds issued pursuant to subdivision 1, clause (a), shall be used only for the acquisition and betterment of sports facilities suitable for baseball, football and soccer, with a seating capacity for football and soccer of approximately 65,000 persons. The council shall issue its bonds and construction of sports facilities may commence when the council has made the following determinations:

(a) The commission has executed agreements with major league professional baseball and football organizations to use its sports facilities for all scheduled regular season home games and play-off home games and, in the case of the football organization, for at least one-half of its exhibition games played each season. The agreements shall be for a period of not more than 30 years nor less than the term of the longest term bonds that in the council's judgment it may find it necessary to issue to finance the acquisition and betterment of the commission's sports facilities. The agreements may contain provisions negotiated between the organizations and the commission which provide for termination upon conditions related and limited to the bankruptcy, insolvency, or financial capability of the organization. The agreements shall provide that, in the event of breach of the agreements, the defaulting organization shall pay damages annually to the commission. The annual payment shall be in an amount equal to the annual average of all revenue derived by the commission from attendance at events and activities of the defaulting organization during the years prior to default, provided that the damages shall not exceed in any year an amount sufficient, with other revenues of the commission but excluding proceeds of the taxes under section 473.592, to pay all expenses of operation, maintenance, administration, and debt service for the facilities used by the defaulting organization during the same year. The damages shall be payable during the period from the occurrence of the default to the date on which another major league professional baseball or football organization, replacing the defaulting organization, enters into a use agreement with the commission for not less than the then remaining term of the original agreement. The agreements with the teams shall provide that no closed circuit or pay television broadcasting of events in the sports facility may be allowed without the approval of the commission. The agreements shall include provisions protecting the commission and the council in the event of change in ownership of the professional teams.

(b) The commission has executed agreements with professional baseball and football major leagues which guarantee the continuance of franchises in the metropolitan area for the period of the agreements referred to in clause (a).

(c) The proceeds of bonds provided for in this subdivision will be sufficient, together with other capital funds that may be available to the commission, to construct or remodel and to furnish the sports facilities proposed by the commission, including the appropriate professional fees and charges but excluding, except as otherwise provided in this subdivision, the acquisition, clearance, relocation, and legal costs referred to in clauses (d) and (e).

(d) The commission has acquired, without cost to the commission or the council except as provided in this subdivision, title to all real property including all easements and other appurtenances needed for the construction and operation of any proposed sports facilities or has received a grant of funds or has entered into an agreement or agreements sufficient in the judgment of the council to assure the receipt of funds, at the time and in the amount required, to make any payment upon which the commission's acquisition of title and possession of the real property is conditioned.

(e) The commission has received a grant of funds or entered into an agreement or agreements sufficient in the judgment of the council to assure the receipt of funds, at the time and in the amount required, to pay all costs, except as provided in this subdivision, of clearing the real property needed for the construction and operation of any proposed sports facilities of all buildings, railroad tracks and other structures, including without limitation all relocation costs, all utility relocation costs, and all legal costs.

(f) The commission has executed agreements with appropriate labor organizations and construction contractors which provide that no labor strike or management lockout will halt, delay or impede construction.

(g) The commission has executed agreements which will provide for the construction of its sports facilities for a certified construction price and completion date and which include performance bonds in an amount at least equal to 100 percent of the certified price to cover any costs which may be incurred over and above the certified price, including but not limited to costs incurred by the commission or loss of revenues resulting from incomplete construction on the completion date.

(h) The environmental impact statement for the sports facility or facilities has been accepted by the environmental quality board, and the pollution control agency and any other de-

partment, agency, or unit of government have taken the actions necessary to permit the construction of the sports facility or facilities.

(i) At least 50 percent of the private boxes provided for in the commission's proposal for the sports facility or facilities are sold or leased for at least five years.

(j) The anticipated revenue from the operation of the sports facility or facilities plus any additional available revenue of the commission and the revenue from the taxes under section 473.592 will be an amount sufficient to pay when due all debt service plus all administration, operating and maintenance expense.

(k) The commission has studied and considered the needs of the University of Minnesota for athletic facilities for a prospective 20 year period.

(l) The municipality where the facility is to be constructed has entered into an agreement as contemplated in section 473.592.

(m) The commission has entered into an agreement or agreements with a purchaser or purchasers of tickets of admission for a period of not less than 20 years which will assure that (, IF THE PROFESSIONAL FOOTBALL ORGANIZATION CAN NOT COMPLY WITH THE PROVISIONS OF SECTION 473.568.) whenever more than 90 and less than 100 percent of the tickets of admission for seats at any professional football game, which were available for purchase by the general public 120 hours or more before the scheduled beginning time of the game either at the sports facility where the game is to be played or at the box office closest to the sports facility, have been purchased 72 hours or more before the beginning time of the game, then all of such tickets which remain unsold will be purchased in sufficient time to permit the telecast to areas within the state which otherwise would not receive the telecast because of the terms of an agreement in which the professional football league has sold or otherwise transferred all or part of the rights of the league's member organizations in the sponsored telecasting of games of the organizations. The party or parties agreeing to the purchase of such unsold tickets shall be obligated for a period of at least 20 years in an amount determined by the council to be sufficient to assure the purchase of all such unsold tickets. (AN AGREEMENT OR AGREEMENTS SATISFYING THE REQUIREMENTS OF THIS CLAUSE SHALL FREE THE PROFESSIONAL FOOTBALL ORGANIZATION FROM THE PROHIBITION OTHERWISE IMPOSED ON IT BY SECTION 473.568.)

(n) The council has entered into an agreement with the brokerage firm or brokerage firms to be used in connection with the issuance and sale of the bonds guaranteeing that fees and charges payable to the brokerage firm or firms in connection

therewith, including any underwriting discounts, shall not exceed fees and charges customarily payable in connection with the issuance and sale of bonds secured by the pledge of the full faith and credit of the municipality in which any new sports facility is to be located.

The validity of any bonds issued under subdivision 1, clause (a), and the obligations of the council and commission related thereto, shall not be conditioned upon or impaired by the council's determinations made pursuant to this subdivision. For purposes of issuing the bonds the determinations made by the council shall be deemed conclusive, and the council shall be and remain obligated for the security and payment of the bonds irrespective of determinations which may be erroneous, inaccurate, or otherwise mistaken.

Sec. 2. [REPEALER.]

Minnesota Statutes 1982, section 473.568, is repealed. This repeal is based solely upon the continued effectiveness of the agreement or agreements entered into by the Metropolitan Sports Facilities Commission and the purchaser or purchasers of tickets of admission as provided for by Laws 1979, chapter 203, section 8. Such agreements shall remain in effect throughout their terms and the commission shall have no authority to terminate or modify such agreements.

Sec. 3. [EFFECTIVE DATE.]

Sections 1 and 2 are effective July 1, 1987."

The motion prevailed and the amendment was adopted.

Jacobs moved to amend S. F. No. 1976, as amended, as follows:

Page 6, delete lines 27 and 28.

The motion prevailed and the amendment was adopted.

S. F. No. 1976, 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 473.581, subdivision 3; repealing Minnesota Statutes 1982, section 473.568.

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

The question was taken on the passage of the bill and the roll was called. There were 117 yeas and 8 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Cohen	Greenfield	Reif	Skoglund	Zaffke
DenOuden	Kahn	Schoenfeld		

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

S. F. No. 1879 was reported to the House.

SUSPENSION OF RULES

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, Nelson, K., moved that the rule therein be suspended and an urgency be declared so that S. F. No. 1879 be given its third reading and be placed upon its final passage. The motion prevailed.

Nelson, K., moved that the rules of the House be so far suspended that S. F. No. 1879 be given its third reading and be placed upon its final passage. The motion prevailed.

S. F. No. 1879, 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 third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 108 yeas and 16 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Evans	Knuth	Olsen	Seaberg
Anderson, G.	Findlay	Kostohryz	Onnen	Segal
Anderson, R.	Forsythe	Krueger	Osthoff	Sherman
Beard	Graba	Kvam	Otis	Simoneau
Begich	Greenfield	Larsen	Pauly	Skoglund
Bennett	Crucnes	Levi	Peterson	Sparby
Bergstrom	Gustafson	Long	Piepho	Staten
Bishop	Halberg	Ludeman	Piper	Swanson
Blatz	Haukoos	Mann	Price	Tomlinson
Boo	Heap	Marsh	Quinn	Tunheim
Brandl	Heinitz	McEachern	Quist	Valan
Brinkman	Himle	McKasy	Redalen	Vanasek
Burger	Hoffman	Metzen	Reif	Vellenga
Carlson, L.	Hokr	Minne	Rice	Voss
Clark, J.	Jacobs	Munger	Rodosovich	Waltman
Clark, K.	Jennings	Murphy	Rodriguez, C.	Welch
Clawson	Jensen	Nelson, D.	Rodriguez, F.	Welle
Cohen	Johnson	Nelson, K.	Rose	Wenzel
Coleman	Kahn	Neuenschwander	St. Onge	Wynia
Dempsey	Kalis	Norton	Sarna	Speaker Sieben
DenOuden	Kelly	O'Connor	Scheid	
Ellingson	Knickerbocker	Ogren	Schoenfeld	

Those who voted in the negative were:

Battaglia	Frerichs	Omann	Sviggum	Valento
Carlson, D.	Gutknecht	Schafer	Thiede	Welker
Dimler	McDonald	Solberg	Uphus	Zaffke
Fjoslien				

The bill was passed and its title agreed to.

S. F. No. 2046 was reported to the House.

SUSPENSION OF RULES

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, Ellingson moved that the rule therein be suspended and an urgency be declared so that S. F. No. 2046 be given its third reading and be placed upon its final passage. The motion prevailed.

Ellingson moved that the rules of the House be so far suspended that S. F. No. 2046 be given its third reading and be placed upon its final passage. The motion prevailed.

Ellingson moved to amend S. F. No. 2046, as follows:

Page 53, line 10, after "used" insert "except that no public hearing may be held"

Page 53, line 10, delete "No" and strike "public hearing," and delete "is required if"

Page 53, line 11, restore "(THE)" and "(MUST STATE)" and delete "says" and insert "that"

Page 53, line 12, delete "The noncontroversial" and insert "This"

The motion prevailed and the amendment was adopted.

S. F. No. 2046, 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; 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 third time, as amended, and placed upon its final passage.

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

Those who voted in the affirmative were:

Anderson, B.	Dimler	Jensen	Murphy	Rodriguez, F.
Anderson, G.	Eken	Johnson	Nelson, D.	Rose
Anderson, R.	Elioff	Kahn	Nelson, K.	St. Onge
Battaglia	Ellingson	Kalis	Neuenschwander	Sarna
Beard	Evans	Kelly	Norton	Schafer
Begich	Findlay	Knickerbocker	O'Connor	Scheid
Bennett	Fjoslien	Knuth	Ogren	Schoenfeld
Bergstrom	Forsythe	Kostohryz	Olsen	Schreiber
Bishop	Frerichs	Krueger	Omann	Seaberg
Blatz	Graba	Kvam	Onnen	Segal
Boo	Greenfield	Larsen	Osthoff	Shaver
Brandl	Gruenes	Levi	Otis	Sherman
Brinkman	Cutknecht	Long	Peterson	Simoneau
Burger	Halberg	Ludeman	Piper	Skoglund
Carlson, D.	Haukoos	Mann	Price	Solberg
Carlson, L.	Heap	Marsh	Quinn	Sparby
Clark, J.	Heimitz	McDonald	Quist	Staten
Clark, K.	Himle	McEachern	Redalen	Sviggum
Clawson	Hoffman	McKasy	Reif	Swanson
Cohen	Hokr	Metzen	Rice	Thiede
Coleman	Jacobs	Minne	Rodosovich	Tomlinson
DenOuden	Jennings	Munger	Rodriguez, C.	Tunheim

Uphus	Vanasek	Waltman	Welle	Zaffke
Valan	Vellenga	Welch	Wenzel	Speaker Sieben
Valento	Voss	Welker	Wynia	

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

S. F. No. 1298 was reported to the House.

SUSPENSION OF RULES

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, Clawson moved that the rule therein be suspended and an urgency be declared so that S. F. No. 1298 be given its third reading and be placed upon its final passage. The motion prevailed.

Clawson moved that the rules of the House be so far suspended that S. F. No. 1298 be given its third reading and be placed upon its final passage. The motion prevailed.

Clawson moved to amend S. F. No. 1298, as follows:

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, SUBDIVISION 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, (PUBLISH 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 NEWSPAPER 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 de-

tected, 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 and 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 secretary 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 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. 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 com-

menced 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" (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 commissioners 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 publications 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, 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 PUBLICATION 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 NEWSPAPER 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 appraisement 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, subdivi-

sion 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."

The motion prevailed and the amendment was adopted.

Clawson moved to amend S. F. No. 1298, as amended, as follows:

Page 22, line 29, after the period insert "*The affidavit must also include the publisher's lowest classified rate paid by commercial users for comparable space, as determined pursuant to section 25, the maximum charge allowable by law for the publication of the specific legal or official matter in question, and the rate actually charged for that publication.*"

Page 34, line 28, after the period insert "*Cities with a population of less than 500 according to the latest federal census are not required to comply with this section, but may do so at their discretion.*"

DenOuden moved to amend the Clawson amendment to S. F. No. 1298, as follows:

In the ninth line of the Clawson amendment, delete "500" insert "1,000".

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

The question recurred on the Clawson amendment, as amended. The motion prevailed and the amendment, as amended, was adopted.

S. F. No. 1298, as amended, was read for the third time.

MOTION FOR RECONSIDERATION

Bishop moved that the action whereby S. F. No. 1298, as amended, was given its third reading be now reconsidered. The motion prevailed.

Bishop moved to amend S. F. No. 1298, as amended, as follows :

Page 34, line 26, after the period add :

"As an alternative to publication, the city may mail, at city expense, a copy of the proceedings to any resident upon request."

The motion prevailed and the amendment was adopted.

S. F. No. 1298, 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 4; 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; 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.

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

The question was taken on the passage of the bill and the roll was called. There were 105 yeas and 21 nays as follows :

Those who voted in the affirmative were :

Anderson, B.	Clawson	Halberg	Levi	Onnen
Anderson, G.	Cohen	Haukoos	Long	Otis
Battaglia	Coleman	Heap	Ludeman	Pauly
Beard	Dempsey	Himle	Mann	Peterson
Begich	DenOuden	Hoffman	McEachern	Piepho
Bennett	Eken	Hokr	Metzen	Piper
Bergstrom	Elioff	Jensen	Minne	Price
Bishop	Ellingson	Johnson	Murphy	Quinn
Blatz	Evans	Kahn	Nelson, D.	Quist
Boo	Findlay	Kalis	Nelson, K.	Redalen
Brandl	Forsythe	Kelly	Neuenschwander	Reif
Brinkman	Frerichs	Knickerbocker	Norton	Rice
Burger	Graba	Knuth	O'Connor	Rodosovich
Carlson, L.	Greenfield	Krueger	Ogren	Rodriguez, C.
Clark, J.	Gustafson	Kvam	Olsen	Rose
Clark, K.	Gutknecht	Larsen	Omann	St. Onge

Sarna	Shea	Sparby	Vanasek	Wenzel
Scheid	Sherman	Staten	Vellenga	Wigley
Schoenfeld	Simoneau	Swanson	Waltman	Wynia
Schreiber	Skoglund	Tomlinson	Welch	Zaffke
Segal	Solberg	Valento	Welle	Speaker Sieben

Those who voted in the negative were:

Anderson, R.	Gruenes	Marsh	Seaberg	Uphus
Carlson, D.	Heinitz	McDonald	Shaver	Valan
Dimler	Jacobs	McKasy	Sviggum	Voss
Erickson	Jennings	Schafer	Thiede	Welker
Fjoslien				

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

S. F. No. 1880 was reported to the House.

SUSPENSION OF RULES

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, Ellingson moved that the rule therein be suspended and an urgency be declared so that S. F. No. 1880 be given its third reading and be placed upon its final passage. The motion prevailed.

Ellingson moved that the rules of the House be so far suspended that S. F. No. 1880 be given its third reading and be placed upon its final passage. The motion prevailed.

Ellingson moved to amend S. F. No. 1880 as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 641.24, is amended to read:

641.24 [LEASING.]

The county may, by resolution of the county board, enter into a lease agreement with any statutory or home rule charter city situated within the county, or a redevelopment agency referred to in chapter 474 whose area of operation includes part or all of the county, whereby the city or redevelopment agency will construct a county jail in accordance with plans prepared by or at the request of the county board and approved by the commissioner of corrections and will finance it by the issuance of revenue bonds, and the county will lease the jail site and improvements for a term and upon rentals sufficient to produce revenue for the prompt payment of the bonds and all interest accruing thereon and, upon completion of payment, will acquire title thereto. The real and personal property acquired for the jail shall constitute a project and the lease agreement shall constitute a

revenue agreement as contemplated in chapter 474, and all proceedings shall be taken by the city or *redevelopment agency* and the county in the manner and with the force and effect provided in chapter 474; provided that:

(1) No tax shall be imposed upon or in lieu of a tax upon the property;

(2) The approval of the project by the commissioner of securities and real estate shall not be required;

(3) The department of corrections shall be furnished and shall record such information concerning each project as it may prescribe, in lieu of reports required on other projects to the commissioner of energy, planning and development;

(4) The rentals required to be paid under the lease agreement shall not exceed in any year four-tenths of one percent of the assessed value of property within the county, as last finally equalized before the execution of the agreement;

(5) The county board shall provide for the payment of all rentals due during the term of the lease, in the manner required in section 641.264, subdivision 2; and

(6) No mortgage on the jail property shall be granted for the security of the bonds, but compliance with clause (5) hereof may be enforced as a nondiscretionary duty of the county board.

Sec. 2. Minnesota Statutes 1982, section 641.264, subdivision 1, is amended to read:

Subdivision 1. [CAPITAL IMPROVEMENTS; BOND ISSUES AND LEASES.] The construction or acquisition, the equipping, and subsequent improvement of a county regional jail may be financed in whole or in part by the issuance of general obligation bonds of the cooperating counties in the manner provided in section 641.23 or by the issuance of revenue bonds of a city situated in one of the counties or, *with the approval of the board of county commissioners of each cooperating county, revenue bonds of a redevelopment agency referred to in chapter 474 whose area of operation includes part or all of one of the counties*, secured by a lease agreement in the manner provided in chapter 474 and in sections 641.24 and 641.263, subdivision 2. Proceedings for the issuance of general obligation bonds shall be instituted by the board of county commissioners of each cooperating county. The regional jail board, with the approval of the county board of each cooperating county, shall fix the total amount necessary to be raised for the construction or acquisition, the equipping, and subsequent improvement of a regional jail, and shall apportion to each county in the manner provided in subdivi-

sion 2 the share of this amount, or of annual debt service or lease rentals required to pay this amount with interest, which is to be raised by the county.

Sec. 3. [EFFECTIVE DATE.]

This act is effective the day after final enactment.

Delete the title and insert:

“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 motion prevailed and the amendment was adopted.

S. F. No. 1880, A bill for an act relating to local government; providing for financing of county and county regional jails; providing for a special allocation of mortgage revenue bonds for calendar year 1985; authorizing the levy of special assessments or service charges for fire protection and pedestrian skyway systems; allowing the town of Blue Hill to exercise certain powers; letting municipal housing contracts; increasing the amount of expenditures for construction and other work that requires an award by contract; amending Minnesota Statutes 1982, sections 429.021, subdivision 1; 429.031, subdivision 3; 429.091, subdivision 2; 429.101, subdivision 1; 462.461, subdivisions 1, 2, and 3; 462C.09, by adding a subdivision; 641.24; and 641.264, subdivision 1.

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

The question was taken on the passage of the bill and the roll was called. There were 122 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Cohen	Gutknecht	Krueger	O'Connor
Anderson, R.	Coleman	Halberg	Kvam	Ogren
Battaglia	Dempsey	Haukoos	Larsen	Olsen
Beard	DenOuden	Heap	Levi	Omann
Begich	Dimler	Heinitz	Long	Onnen
Bennett	Eken	Himle	Ludeman	Otis
Bishop	Elioff	Hoffman	Marsh	Pauly
Blatz	Ellingson	Hokr	McDonald	Peterson
Boo	Erickson	Jacobs	McEachern	Piepho
Brandl	Evans	Jennings	McKasy	Piper
Brinkman	Findlay	Jensen	Metzen	Price
Burger	Fjoslien	Johnson	Minne	Quinn
Carlson, D.	Forsythe	Kahn	Murphy	Quist
Carlson, L.	Graba	Kalis	Nelson, D.	Redalen
Clark, J.	Greenfield	Kelly	Nelson, K.	Reif
Clark, K.	Gruenes	Knickerbocker	Neuenschwander	Riveness
Clawson	Gustafson	Kostohryz	Norton	Rodosovich

Rodriguez, C.	Schreiber	Sparby	Valan	Wenzel
Rodriguez, F.	Seaberg	Staten	Valento	Wigley
Rose	Segal	Sviggum	Vanasek	Wynia
St. Onge	Shaver	Swanson	Vellenga	Zaffke
Sarna	Sherman	Thiede	Voss	Speaker Sieben
Schafer	Simoneau	Tomlinson	Waltman	
Scheid	Skoglund	Tunheim	Welker	
Schoenfeld	Solberg	Uphus	Welle	

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

S. F. No. 1903 was reported to the House.

SUSPENSION OF RULES

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, Jacobs moved that the rule therein be suspended and an urgency be declared so that S. F. No. 1903 be given its third reading and be placed upon its final passage. The motion prevailed.

Jacobs moved that the rules of the House be so far suspended that S. F. No. 1903 be given its third reading and be placed upon its final passage. The motion prevailed.

S. F. No. 1903, A bill for an act relating to communications; deregulating radio common carriers; amending Minnesota Statutes 1982, section 237.01, subdivision 2, and by adding subdivisions.

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

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

Those who voted in the affirmative were:

Anderson, B.	Clawson	Gustafson	Kostohryz	Neuenschwander
Anderson, G.	Cohen	Gutknecht	Krueger	Norton
Anderson, R.	Coleman	Halberg	Kvam	O'Connor
Battaglia	Dempsey	Haukoos	Larsen	Ogren
Beard	DenOuden	Heap	Levi	Olsen
Begich	Dimler	Heinitz	Long	Omann
Bennett	Eken	Himle	Ludeman	Onnen
Bergstrom	Elioff	Hoffman	Mann	Otis
Bishop	Ellingson	Hokr	Marsh	Pauly
Blatz	Erickson	Jacobs	McDonald	Peterson
Boo	Evans	Jennings	McEachern	Piepho
Brandl	Findlay	Jensen	McKasy	Piper
Brinkman	Fjoslien	Johnson	Metzen	Price
Burger	Forsythe	Kahn	Minne	Quinn
Carlson, D.	Frerichs	Kalis	Munger	Quist
Carlson, L.	Graba	Kelly	Murphy	Redalen
Clark, J.	Greenfield	Knickerbocker	Nelson, D.	Reif
Clark, K.	Gruenes	Knuth	Nelson, K.	Riveness

Rodosovich	Schoenfeld	Solberg	Uphus	Welker
Rodriguez, C.	Schreiber	Sparby	Vaian	Welle
Rodriguez, F.	Seaberg	Stadum	Valento	Wenzel
Rose	Segal	Sviggum	Vanasek	Wigley
St. Onge	Shaver	Swanson	Vellenga	Wynia
Sarna	Sherman	Thiede	Voss	Zaffke
Schafer	Simoneau	Tomlinson	Waltman	Speaker Sieben
Scheid	Skoglund	Tunheim	Welch	

The bill was passed and its title agreed to.

MESSAGES FROM THE SENATE, Continued

The following messages were received from the Senate:

Mr. Speaker:

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

H. F. No. 2182, A bill for an act relating to agriculture; changing certain duties of the commissioner; changing certain reporting requirements concerning agricultural land ownership; refining procedures and deadlines for investment reimbursement; authorizing the commissioner to use certain funds for short-term loans to help participants meet their family farm security loan obligations; exempting certain corporations and persons from the definition of warehouseman; exempting the family farm security program from certain loan commitment approval requirements; amending Minnesota Statutes 1982, sections 21.118; 29.27; 31.11; 31A.08; 41.56, subdivision 3; 231.01, subdivision 5; 500.221, subdivision 2a; 500.24, subdivision 4; and Minnesota Statutes 1983 Supplement, sections 16A.80, subdivision 2; 32.417; 38.02, subdivisions 1 and 3; and 500.221, subdivision 4.

PATRICK E. FLAHAVEN, Secretary of the Senate

Wenzel moved that the House refuse to concur in the Senate amendments to H. F. No. 2182, that the Speaker appoint a Conference Committee of 5 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

Mr. Speaker:

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

H. F. No. 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 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 15 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; 400.162; 473.181, subdivision 4; 473.801, subdivisions 1 and 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 473; 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.

PATRICK E. FLAHAVEN, Secretary of the Senate

Long moved that the House refuse to concur in the Senate amendments to H. F. No. 1577, 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.

Vanasek moved to amend the Long motion as follows:

Delete "3" and insert "5"

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 64 yeas and 61 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Ellingson	McDonald	Quinn	Stadum
Anderson, C.	Erickson	McEachern	Reif	Thiede
Battaglia	Findlay	Metzen	Rice	Tunheim
Beard	Fjoslien	Minne	Rodosovich	Valan
Begich	Frerichs	Munger	Rose	Valento
Bennett	Himle	Murphy	Schafer	Vanasek
Bergstrom	Hoffman	Neuenschwander	Schoenfeld	Voss
Blatz	Jacobs	Norton	Shaver	Welch
Clawson	Jennings	O'Connor	Shea	Welker
Coleman	Jensen	Ogren	Sherman	Welle
Dempsey	Krueger	Peterson	Simoneau	Wenzel
DenOuden	Ludeman	Piper	Solberg	Zaffke
Dimler	Mann	Price	Sparby	

Those who voted in the negative were:

Anderson, R.	Forsythe	Knickerbocker	Otis	Skoglund
Bishop	Greenfield	Kostohryz	Pauly	Sviggum
Boo	Gruenes	Larsen	Piepho	Swanson
Brandl	Gustafson	Levi	Quist	Tomlinson
Burger	Cutknecht	Long	Redalen	Uphus
Carlson, D.	Halberg	Marsh	Rodriguez, C.	Vellenga
Carlson, L.	Heap	McKasy	Rodriguez, F.	Waltman
Clark, J.	Heinitz	Nelson, D.	St. Onge	Wigley
Clark, K.	Hokr	Nelson, K.	Sarna	Wynia
Cohen	Johnson	Olsen	Scheid	
Eken	Kahn	Omann	Schreiber	
Elioff	Kalis	Onnen	Seaberg	
Evans	Kelly	Osthoff	Segal	

The motion prevailed and the amendment was adopted.

The question recurred on the Long motion, as amended. The motion prevailed.

ANNOUNCEMENTS BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 2182:

Wenzel, Metzen, Uphus, Krueger and Jensen.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 1349:

Jacobs, O'Connor, Sarna, Metzen and Wigley.

The following conference committee reports were received:

CONFERENCE COMMITTEE REPORT ON 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.

April 19, 1984

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

The Honorable Jerome M. Hughes
President of the Senate

We, the undersigned conferees for H. F. No. 1347, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments and that H. F. No. 1347 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [518.177] [NOTIFICATION REGARDING DEPRIVATION OF PARENTAL RIGHTS LAW.]

Every court order and judgment and decree concerning custody of or visitation with a minor child shall restate the provisions of section 609.26.

Sec. 2. Minnesota Statutes 1982, section 609.26, is amended to read:

609.26 [(OBTAINING OR RETAINING A CHILD) DEPRIVING ANOTHER OF CUSTODIAL OR PARENTAL RIGHTS.]

Subdivision 1. Whoever intentionally (TAKES, DETAINS OR FAILS TO RETURN) *does any of the following acts may be charged with a felony and, upon conviction, may be sentenced as provided in subdivision 6:*

(1) *conceals (HIS OWN) a minor child (UNDER THE AGE OF 18 YEARS IN VIOLATION OF AN EXISTING COURT ORDER WHICH GRANTS ANOTHER PERSON RIGHTS OF CUSTODY MAY BE SENTENCED AS PROVIDED IN SUBDIVISION 5) from the child's parent or other person having the*

right to visitation or custody, where the action manifests an intent substantially to deprive that parent or other person of his rights to visitation or custody;

(2) takes, obtains, retains, or fails to return a minor child in violation of a court order which has transferred legal custody under chapter 260 to the commissioner of public welfare, a child placing agency, or the county welfare board;

(3) takes, obtains, retains, or fails to return a minor child from or to the parent or other person having the right to visitation or custody under a court order, where the action manifests an intent substantially to deprive that parent or other person having the right to visitation or custody of his rights to visitation or custody; or

(4) takes, obtains, retains, or fails to return a minor child from or to a parent or other person having the right to visitation or custody after commencement of an action relating to child visitation or custody but prior to the issuance of an order determining custody or visitation rights, where the action manifests an intent substantially to deprive that parent or other person having the right to visitation or custody of his rights to visitation or custody.

Subd. 2. [DEFENSES.] (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.) *No person violates subdivision 1 if the action:*

(1) is taken to protect the child or the person taking the action from physical or emotional 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. 3. [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. [RETURN OF CHILD; COSTS.] A child who has been *concealed*, 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, subdi-

vision 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. [DISMISSAL OF CHARGE.] *A felony charge brought under this section shall be dismissed if:*

(a) *the person voluntarily returns the child within 14 days after he takes, detains, or fails to return the child in violation of this section; or*

(b)(1) *the person taking the action and the child have not left the state of Minnesota; and (2) within a period of 14 days after taking the action, (i) a motion or proceeding under chapters 518, 518A, 518B, or 518C is commenced by the person taking the action, or (ii) the attorney representing the person taking the action has consented to service of process by the party whose rights are being deprived, for any motion or action pursuant to chapters 518, 518A, 518B, or 518C.*

Subd. (5) 6. [PENALTY.] *Except as otherwise provided in subdivision 5, 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. 7. [REPORTING OF DEPRIVATION OF PARENTAL RIGHTS.] *Any violation of this section shall be reported pursuant to section 3.*

Sec. 3. Minnesota Statutes 1982, section 626.556, is amended by adding a subdivision to read:

Subd. 3a. [REPORT OF DEPRIVATION OF PARENTAL RIGHTS.] *A person mandated to report under subdivision 3, who knows or has reason to know of a violation of section 609.26, shall report the information to the local police department or the county sheriff. Receipt by a local welfare agency of a report or notification of a report of a violation of section 609.26 shall not be construed to invoke the duties of subdivisions 10, 10a, or 10b of this section.*

Sec. 4. [EFFECTIVE DATE.]

Sections 1 and 3 are 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 a person from depriving another of parental, custodial, or visitation rights; imposing penalties; providing for notification in custody or visitation orders of the deprivation of parental rights laws; requiring violations of the parental rights law to be reported under the child abuse reporting law; imposing a penalty; amending Minnesota Statutes 1982, sections 609.26; and 626.556, by adding a subdivision; proposing new law coded in Minnesota Statutes, chapter 518."

We request adoption of this report and repassage of the bill.

House Conferees: GLORIA SEGAL, JANET CLARK and DAVID T. BISHOP.

Senate Conferees: LAWRENCE J. POGEMILLER, EMBER D. REICHGOTT and RON SIELOFF.

Segal moved that the report of the Conference Committee on H. F. No. 1347 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

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, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 127 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Blatz	Cohen	Evans	Gutknecht
Anderson, G.	Boo	Coleman	Findlay	Halberg
Anderson, R.	Brandl	Dempsey	Fjoslien	Haukoos
Battaglia	Brinkman	DenOuden	Forsythe	Heap
Beard	Burger	Dimler	Frerichs	Heinitz
Begich	Carlson, D.	Eken	Graba	Himle
Bennett	Carlson, L.	Elioff	Greenfield	Hoffman
Bergstrom	Clark, J.	Ellingson	Gruenes	Hokr
Bishop	Clawson	Erickson	Gustafson	Jacobs

Jennings	McDonald	Pauly	Schoenfeld	Tunheim
Jensen	McEachern	Peterson	Schreiber	Uphus
Johnson	McKasy	Piepho	Seaberg	Valan
Kahn	Metzen	Piper	Segal	Valento
Kalis	Minne	Price	Shaver	Vanasek
Kelly	Munger	Quinn	Shea	Voss
Knickerbocker	Nelson, D.	Quist	Sherman	Waltman
Knuth	Nelson, K.	Redalen	Simoneau	Welch
Kostohryz	Neuenschwander	Rice	Skoglund	Welker
Krueger	Norton	Riveness	Solberg	Welle
Kvam	O'Connor	Rodosovich	Sparby	Wenzel
Larsen	Ogren	Rodriguez, C.	Stadium	Wynia
Levi	Olsen	Rodriguez, F.	Staten	Zaffke
Long	Omahn	Rose	Sviggum	Speaker Sieben
Ludeman	Onnen	St. Onge	Swanson	
Mann	Osthoff	Sarna	Thiede	
Marsh	Otis	Schafer	Tomlinson	

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

CONFERENCE COMMITTEE REPORT ON 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.

April 19, 1984

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

The Honorable Jerome M. Hughes
President of the Senate

We, the undersigned conferees for H. F. No. 1279, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments and that H. F. No. 1279 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 147.01, subdivision 4, is amended to read:

Subd. 4. [DISCLOSURE.] All communications or information received by or disclosed to the board relating to any person

or matter subject to its regulatory jurisdiction, and all records of any action or proceedings thereon, except only a final decision of the board, which shall state the specific reason therefor shall be confidential and privileged within the meaning of section 595.02, (CLAUSE 5) *subdivision 1, paragraph (e)*, and shall not be public records within the meaning of section 15.17, subdivision 4; provided that upon application of a party in a proceeding before the board pursuant to section 147.021, the board shall produce and permit the inspection and copying, by or on behalf of the moving party, of any designated documents or papers relevant to the proceedings, in accordance with the provisions of rule 34, Minnesota rules of civil procedure.

Sec. 2. [260.156] [CERTAIN OUT-OF-COURT STATEMENTS ADMISSIBLE.]

An out-of-court statement made by a child under the age of ten years alleging, explaining, denying, or 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:

(a) The court finds that the time, content, and circumstances of the statement and the reliability of the person to whom the statement is made provide sufficient indicia of reliability; and

(b) The proponent of the statement notifies other parties of his 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. 3. 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. 4. Minnesota Statutes 1982, section 595.02, is amended to read:

595.02 [TESTIMONY OF WITNESSES.]

Subdivision 1. [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) *provided in this subdivision:*

((1)) (a) 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)) (b) 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)) (c) 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)) (d) 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)) (e) 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)) (f) 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) *if any of them lack capacity to remember or to relate truthfully* 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) *describing any act of sexual contact or penetration performed on or with the child by another may use language appropriate for a child of that age* (THE EVENTS OR FACTS RESPECTING WHICH THE CHILD IS EXAMINED;).

((7)) (g) 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)) (h) 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)) (i) 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 prop-

erty 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) (j) 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.

Subd. 2. [EXCEPTIONS.] (a) The exception provided by paragraphs (d) and (g) of subdivision 1 shall not apply to any testimony, records, or other evidence relating to the abuse or neglect of a minor in any proceeding under chapter 260 or any proceeding under section 245.801, to revoke a day care or foster care license, arising out of the neglect or physical or sexual abuse of a minor, as defined in section 626.556, subdivision 2.

(b) The exception provided by paragraphs (d) and (g) of subdivision 1 shall not apply to criminal proceedings arising out of the neglect or physical or sexual abuse of a minor, as defined in section 626.556, subdivision 2, if the court finds that:

(1) there is a reasonable likelihood that the records in question will disclose material information or evidence of substantial value in connection with the investigation or prosecution; and

(2) there is no other practicable way of obtaining the information or evidence. This clause shall not be construed to prohibit disclosure of the patient record when it supports the otherwise uncorroborated statements of any material fact by a minor alleged to have been abused or neglected by the patient; and

(3) the actual or potential injury to the patient-health professional relationship in the treatment program affected, and the actual or potential harm to the ability of the program to at-

tract and retain patients, is outweighed by the public interest in authorizing the disclosure sought.

No records may be disclosed under this paragraph other than the records of the specific patient suspected of the neglect or abuse of a minor. Disclosure and dissemination of any information from a patient record shall be limited under the terms of the order to assure that no information will be disclosed unnecessarily and that dissemination will be no wider than necessary for purposes of the investigation or prosecution.

Subd. 3. [CERTAIN OUT-OF-COURT STATEMENTS ADMISSIBLE.] *An out-of-court statement made by a child under the age of ten years alleging, explaining, denying, or 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 or person authorized to receive evidence finds, in a hearing conducted outside of the presence of the jury, that the time, content, and circumstances of the statement and the reliability of the person to whom the statement is made provide sufficient indicia of reliability; and

(b) the child either:

(i) testifies at the proceedings; or

(ii) is unavailable as a witness and there is corroborative evidence of the act; and

(c) the proponent of the statement notifies the adverse party of his 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.

Sec. 5. 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. 6. Minnesota Statutes 1982, section 609.341, subdivision 14, is amended to read:

Subd. 14. "Coercion" means (A THREAT TO UNLAWFULLY) words or circumstances that cause the complainant reasonably to fear that the actor will inflict bodily harm upon, or hold in confinement, the (PERSON THREATENED) complainant or another.

Sec. 7. Minnesota Statutes 1983 Supplement, sections 609.344, is amended to read:

609.344 [CRIMINAL SEXUAL CONDUCT IN THE THIRD DEGREE.]

A person is guilty of criminal sexual conduct in the third degree and may be sentenced to imprisonment for not more than ten years, or to payment of a fine of not more than \$10,000, or both, if he engages in sexual penetration with another person and any of the following circumstances exists:

(a) The complainant is under 13 years of age and the actor is no more than 36 months older than the complainant. Neither mistake as to the complainant's age nor consent to the act by the complainant shall be a defense; or

(b) The complainant is at least 13 but less than 16 years of age and the actor is more than 24 months older than the complainant. In any such case it shall be an affirmative defense, which must be proved by a preponderance of the evidence, that the actor believes the complainant to be 16 years of age or older. If the actor in such a case is no more than 48 months but more than 24 months older than the complainant, he may be sentenced to imprisonment for not more than five years. Consent by the complainant is not a defense; or

(c) The actor uses force or coercion to accomplish the penetration; or

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

(e) The complainant is at least 16 but less than 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.

Sec. 8. Minnesota Statutes 1983 Supplement, section 609.345, is amended to read:

609.345 [CRIMINAL SEXUAL CONDUCT IN THE FOURTH DEGREE.]

A person is guilty of criminal sexual conduct in the fourth degree and may be sentenced to imprisonment for not more than five years, or to payment of a fine of not more than \$5,000, or both, 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 not more than 36 months older than the complainant. Neither mistake as to the complainant's age or 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 years of age and the actor is more than 48 months older than the complainant or in a position of authority over the complainant and uses this authority to cause the complainant to submit. In any such case, it shall be an affirmative defense which must be proved by a preponderance of the evidence that the actor believes the complainant to be 16 years of age or older; or

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

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

(e) The complainant is at least 16 but less than 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.

Sec. 9. 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. 10. 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. 11. 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. 12. 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, subdivision 1, paragraphs (a), (d), or (g).*

Sec. 13. [EFFECTIVE DATE.]

Sections 3, 7, and 8 are effective August 1, 1984, and apply to crimes committed on or after that date. Sections 2, 4, and 12 are effective the day following final enactment."

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 Statutes 1982, sections 147.01, subdivision 4; 595.02; 609.341, subdivisions 11 and 14; 609.346; 609.347, subdivision 3; 609.364, subdivision 9; 626.556, subdivision 8; Minnesota Statutes 1983 Supplement,

sections 260.315; 609.344; and 609.345; proposing new law coded in Minnesota Statutes, chapter 260."

We request adoption of this report and repassage of the bill.

House Conferees: CONNIE LEVI, ROBERT E. VANASEK and JANET CLARK.

Senate Conferees: ERIC D. PETTY, GENE MERRIAM and RON SIELOFF.

Levi moved that the report of the Conference Committee on H. F. No. 1279 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

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, as amended by Conference, and placed upon its repassage.

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

Those who voted in the affirmative were:

Anderson, B.	Dempsey	Himle	McDonald	Quinn
Anderson, G.	DenOuden	Hoffman	McKasy	Quist
Anderson, R.	Dimler	Hokr	Minne	Redalen
Battaglia	Eken	Jacobs	Munger	Rice
Beard	Elioff	Jennings	Murphy	Riveness
Begich	Ellingson	Jensen	Nelson, D.	Rodosovich
Bennett	Erickson	Johnson	Nelson, K.	Rodriguez, C.
Bergstrom	Evans	Kahn	Neuenschwander	Rodriguez, F.
Bishop	Findlay	Kalis	Norton	Rose
Blatz	Fjoslien	Kelly	O'Connor	St. Onge
Boo	Forsythe	Knickerbocker	Ogren	Sarna
Brandl	Frerichs	Knuth	Olsen	Schafer
Brinkman	Graba	Kostohryz	Omann	Scheid
Burger	Greenfield	Krueger	Onnen	Schoenfeld
Carlson, D.	Gruenes	Kvam	Osthoff	Schreiber
Carlson, L.	Gustafson	Larsen	Otis	Seaberg
Clark, J.	Gutknecht	Levi	Pauly	Segal
Clark, K.	Halberg	Long	Peterson	Shaver
Clawson	Haukoos	Ludeman	Piepho	Shea
Cohen	Heap	Mann	Piper	Sherman
Coleman	Heinitz	Marsh	Price	Simoneau

Skoglund	Swiggum	Uphus	Voss	Wenzel
Solberg	Swanson	Valan	Waltman	Wigley
Sparby	Thiede	Valento	Welch	Wynia
Stadum	Tomlinson	Vanasek	Welker	Zaffke
Staten	Tunheim	Vellenga	Welle	Speaker Sieben

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

CONFERENCE COMMITTEE REPORT ON 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.

April 18, 1984

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

The Honorable Jerome M. Hughes
President of the Senate

We, the undersigned conferees for H. F. No. 1466, report that we have agreed upon the items in dispute and recommend as follows:

That the House concur in the Senate amendment.

We request adoption of this report and repassage of the bill.

House Conferees: JOHN T. CLAWSON, CHARLES C. HALBERG and RICHARD J. COHEN.

Senate Conferees: GENE MERRIAM, MICHAEL O. FREEMAN and DEAN A. JOHNSON.

Clawson moved that the report of the Conference Committee on H. F. No. 1466 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

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, as amended by Conference, and placed upon its repassage.

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

Those who voted in the affirmative were:

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

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

MESSAGES FROM THE SENATE, Continued

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. 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, subdivision 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.

PATRICK E. FLAHAVEN, Secretary of the Senate

Brinkman moved that the House refuse to concur in the Senate amendments to H. F. No. 1655, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1655:

Brinkman, Osthoff and Heinitz.

Wenzel was excused while in conference.

The following conference committee report was received:

CONFERENCE COMMITTEE REPORT ON 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.

April 19, 1984

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

The Honorable Jerome M. Hughes
President of the Senate

We, the undersigned conferees for H. F. No. 1420, report that we have agreed upon the items in dispute and recommend as follows:

That the House concur in the Senate amendment.

We request adoption of this report and repassage of the bill.

House Conferees: PHILLIP J. RIVENESS, WAYNE SIMONEAU, FRED C. NORTON and JOSEPH R. BEGICH.

Senate Conferees: CARL W. KROENING, FLORIAN CHMIELEWSKI, JAMES C. PEHLER, TOM A. NELSON and DON FRANK.

Riveness moved that the report of the Conference Committee on H. F. No. 1420 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

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

CALL OF THE HOUSE

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

Anderson, B.	Dimler	Jennings	Munger	Rodriguez, C.
Anderson, G.	Eken	Jensen	Murphy	Rodriguez, F.
Anderson, R.	Elioff	Johnson	Nelson, D.	Rose
Battaglia	Ellingson	Kahn	Neuenschwander	Sarna
Beard	Erickson	Kalis	Norton	Schafer
Begich	Evans	Kelly	Ogren	Scheid
Bennett	Findlay	Knickerbocker	Olsen	Schoenfeld
Bergstrom	Fjoslien	Knuth	Omann	Schreiber
Blatz	Forsythe	Kostohryz	Onnen	Seaberg
Boo	Frerichs	Krueger	Osthoff	Segal
Brandl	Greenfield	Kvam	Otis	Shaver
Brinkman	Gruenes	Larsen	Pauly	Shea
Burger	Gustafson	Levi	Peterson	Simoneau
Carlson, D.	Gutknecht	Long	Piepho	Skoglund
Carlson, L.	Halberg	Ludeman	Piper	Solberg
Clark, J.	Haukoos	Mann	Price	Sparby
Clawson	Heap	Marsh	Quist	Stadum
Cohen	Heinitz	McDonald	Redalen	Sviggum
Coleman	Himle	McEachern	Reif	Swanson
Dempsey	Hoffman	McKasy	Riveness	Thiede
DenOuden	Hokr	Minne	Rodosovich	Tomlinson

Tunheim	Valento	Welch	Welle	Wynia
Uphus	Voss	Welker	Wigley	Zaffke
Valan	Waltman			

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

H. F. No. 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, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 62 yeas and 70 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Elioff	Munger	Rice	Swanson
Battaglia	Ellingson	Murphy	Riveness	Tomlinson
Beard	Greenfield	Nelson, D.	Rodosovich	Tunheim
Begich	Gustafson	Nelson, K.	Rodriguez, F.	Vanasek
Bergstrom	Hoffman	Neuenschwander	St. Onge	Vellenga
Brandl	Jacobs	Norton	Sarna	Voss
Carlson, L.	Kahn	O'Connor	Scheid	Welch
Clark, J.	Kelly	Ogren	Segal	Wenzel
Clark, K.	Knuth	Osthoff	Simoneau	Wynia
Clawson	Larsen	Otis	Skoglund	Speaker Sieben
Cohen	Long	Peterson	Solberg	
Coleman	Metzen	Piper	Sparby	
Eken	Minne	Price	Staten	

Those who voted in the negative were:

Anderson, B.	Findlay	Jensen	Olsen	Shaver
Anderson, R.	Fjoslien	Johnson	Omamm	Shea
Bennett	Forsythe	Kalis	Onnen	Sherman
Bishop	Frericha	Knickerbocker	Pauly	Stadum
Blatz	Graba	Kostohryz	Piepho	Sviggum
Boo	Gruenes	Krueger	Quist	Thiede
Brinkman	Gutknecht	Kvam	Redalen	Uphus
Burger	Halberg	Levi	Reif	Valan
Carlson, D.	Haukoos	Ludeman	Rodriguez, C.	Valento
Dempsey	Heap	Mann	Rose	Waltman
DenOuden	Heinitz	Marsh	Schafer	Welker
Dimler	Himle	McDonald	Schoenfeld	Welle
Erickson	Hokr	McEachern	Schreiber	Wigley
Evans	Jennings	McKasy	Seaberg	Zaffke

The bill was not repassed, as amended by Conference.

CALL OF THE HOUSE LIFTED

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

ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1577:

Long; Vanasek; Nelson, D.; Rose and Munger.

SPECIAL ORDERS, Continued

There being no objection the House advanced to H. F. No. 2207.

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 third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 109 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Elioff	Kvam	Quist	Stadum
Anderson, G.	Ellingson	Larsen	Redalen	Staten
Battaglia	Erickson	Long	Reif	Sviggum
Beard	Evans	Ludeman	Rice	Thiede
Begich	Findlay	Mann	Rodosovich	Tomlinson
Bennett	Fjoslien	Marsh	Rodriguez, C.	Tunheim
Bergstrom	Forsythe	McDonald	Rodriguez, F.	Uphus
Bishop	Frerichs	McEachern	Rose	Valan
Blatz	Graba	Minne	Sarna	Valento
Boo	Gruenes	Munger	Schafer	Vanasek
Brinkman	Gustafson	Murphy	Scheid	Vellenga
Burger	Gutknecht	Nelson, K.	Schoenfeld	Voss
Carlson, D.	Haukoos	Norton	Schreiber	Waltman
Clark, J.	Heinitz	Omam	Seaberg	Welch
Clark, K.	Hoffman	Onnen	Segal	Welker
Clawson	Jensen	Osthoff	Shaver	Welle
Cohen	Johnson	Otis	Shea	Wenzel
Coleman	Kahn	Pauly	Sherman	Wigley
Dempsey	Kalis	Peterson	Simoneau	Wynia
DenOuden	Knickerbocker	Piepho	Skoglund	Zaffke
Dimler	Kostohryz	Piper	Solberg	Speaker Sieben
Eken	Krueger	Price	Sparby	

The bill was passed and its title agreed to.

MESSAGES FROM THE SENATE, Continued

The following message was received from the Senate:

Mr. Speaker:

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

S. F. No. 1662.

PATRICK E. FLAHAVEN, Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 1662, A bill for an act relating to solid waste; reducing the number of proposed sites in metropolitan counties having a population of less than 300,000 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.

SUSPENSION OF RULES

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, Jensen moved that the rule therein be suspended and an urgency be declared so that S. F. No. 1662 be given its second and third readings and be placed upon its final passage. The motion prevailed.

Jensen moved that the rules of the House be so far suspended that S. F. No. 1662 be given its second and third readings and be placed upon its final passage. The motion prevailed.

S. F. No. 1662 was read for the second time.

S. F. No. 1662, A bill for an act relating to solid waste; reducing the number of proposed sites in metropolitan counties having a population of less than 300,000 for mixed municipal solid waste disposal facilities; amending Minnesota Statutes 1983 Supplement, section 473.803, subdivision 1a.

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

The question was taken on the passage of the bill and the roll was called. There were 115 yeas and 7 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

DenOuden	Jennings	Onnen	Schafer	Welker
Haukoos	Ludeman			

The bill was passed and its title agreed to.

There being no objection the order of business reverted to Messages from the Senate.

MESSAGES FROM THE SENATE

The following message was received from the Senate:

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

S. F. No. 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. FLAHAVER, 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 non-public; 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.

April 17, 1984

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 House recede from its 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 13.02, is amended by adding a subdivision to read:

Subd. 8a. [NOT PUBLIC DATA.] “Not public data” means any government data which is classified by statute, federal law, or temporary classification as confidential, private, nonpublic, or protected nonpublic.

Sec. 2. Minnesota Statutes 1982, section 13.03, subdivision 3, is amended to read:

Subd. 3. [REQUEST FOR ACCESS TO DATA.] Upon request to a responsible authority or designee, a person shall be permitted to inspect and copy public government data at reasonable times and places, and if the person requests, he shall be informed of the data's meaning. The responsible authority or designee shall provide copies of public government data upon request. The responsible authority may require the requesting person to pay the actual costs of making, certifying and compiling the copies. If the responsible authority or designee is not able to provide copies at the time a request is made he shall supply copies as soon as reasonably possible.

When a request under this subdivision involves any person's receipt of copies of public government data that has commercial value and is an entire formula, pattern, compilation, program, device, method, technique, process, data base, or system developed with a significant expenditure of public funds by the agency, the responsible authority may charge a reasonable fee for the information in addition to the costs of making, certifying, and compiling the copies. Any fee charged must be clearly demonstrated by the agency to relate to the actual development costs of the information. The responsible authority, upon the request of any person, shall provide sufficient documentation to explain and justify the fee being charged.

If the responsible authority or designee determines that the requested data is classified so as to deny the requesting person access, the responsible authority or designee shall (SO) inform the requesting person of the determination either orally at the time of the request, (AND) or in writing as soon (THEREAFTER) after that time as possible, and shall cite the (STATUTE) specific statutory section, temporary classification, or specific provision of federal law on which the determination is based. Upon the request of any person denied access to data, the responsible authority or designee shall certify in writing that the request has been denied and cite the specific statutory section, temporary classification, or specific provision of federal law upon which the denial was based.

Sec. 3. Minnesota Statutes 1982, section 13.03, subdivision 4, is amended to read:

Subd. 4. [CHANGE IN CLASSIFICATION OF DATA.] The classification of data in the possession of an agency shall change if it is required to do so to comply with either judicial or administrative rules pertaining to the conduct of legal actions or with a specific statute applicable to the data in the possession of the disseminating or receiving agency.

If data on individuals is classified as both private and confidential by this chapter, or any other statute or federal law, the data is private.

To the extent that government data is disseminated to state agencies, political subdivisions, or statewide systems by another state agency, political subdivision, or statewide system, the data disseminated shall have the same classification in the hands of the agency receiving it as it had in the hands of the entity providing it.

Sec. 4. Minnesota Statutes 1982, section 13.03, is amended by adding a subdivision to read:

Subd. 5. [COPYRIGHT OF PATENT OR COMPUTER PROGRAM.] *Nothing in this chapter or any other statute shall be construed to prevent a state agency, statewide system, or political subdivision from acquiring a copyright or patent for a computer software program or components of a program created by that government agency. In the event that a government agency does acquire a patent or copyright to a computer software program or component of a program, the data shall be treated as trade secret information pursuant to section 13.37.*

Sec. 5. Minnesota Statutes 1982, section 13.04, subdivision 2, is amended to read:

Subd. 2. [INFORMATION REQUIRED TO BE GIVEN INDIVIDUAL.] An individual asked to supply private or confidential data concerning himself shall be informed of: (a) the purpose and intended use of the requested data within the collecting state agency, political subdivision, or statewide system; (b) whether he may refuse or is legally required to supply the requested data; (c) any known consequence arising from his supplying or refusing to supply private or confidential data; and (d) the identity of other persons or entities authorized by state or federal law to receive the data. This requirement shall not apply when an individual is asked to supply investigative data, pursuant to section 13.82, subdivision 5, to a law enforcement officer.

Sec. 6. Minnesota Statutes 1982, section 13.05, subdivision 3, is amended to read:

Subd. 3. [GENERAL STANDARDS FOR COLLECTION AND STORAGE.] Collection and storage of (PUBLIC, PRIVATE OR CONFIDENTIAL) *all* data on individuals and the use and dissemination of private and confidential data on individuals shall be limited to that necessary for the administration and management of programs specifically authorized by the legislature (,) or local governing body or mandated by the federal government.

Sec. 7. Minnesota Statutes 1982, section 13.05, subdivision 7, is amended to read:

Subd. 7. [PREPARATION OF SUMMARY DATA.] The use of summary data derived from private or confidential data on individuals under the jurisdiction of one or more responsible authorities (SHALL BE) *is* permitted. Unless classified pursuant to section 13.06, *another statute, or federal law*, summary data is public. The responsible authority shall prepare summary data from private or confidential data on individuals upon the request of any person (, PROVIDED THAT) *if* the request is in writing and the cost of preparing the summary data is borne by the requesting person. The responsible authority may delegate the power to prepare summary data (1) to the administrative officer responsible for any central repository of summary data; or (2) to a person outside of its agency if the person (, IN WRITING,) sets forth, *in writing*, his purpose and agrees not to disclose, and the agency reasonably determines that the access will not compromise private or confidential data on individuals.

Sec. 8. Minnesota Statutes 1982, section 13.05, subdivision 9, is amended to read:

Subd. 9. [INTERGOVERNMENTAL ACCESS OF DATA.] A responsible authority shall allow another responsible authority access to data classified as not public only when the access is authorized or required by statute or federal law. An agency that supplies government data under this subdivision may require the requesting agency to pay the actual cost of supplying the data.

(DATA SHALL HAVE THE SAME CLASSIFICATION IN THE HANDS OF THE AGENCY RECEIVING IT AS IT HAD IN THE AGENCY PROVIDING IT.)

Sec. 9. Minnesota Statutes 1982, section 13.05, subdivision 10, is amended to read:

Subd. 10. [INTERNATIONAL DISSEMINATION PROHIBITED.] No state agency or political subdivision shall transfer or disseminate any private or confidential data on individuals to the private international organization known as

Interpol, *except through the Interpol-United States National Central Bureau, United States Department of Justice.*

Sec. 10. Minnesota Statutes 1982, section 13.06, subdivision 1, is amended to read:

Subdivision 1. [APPLICATION TO COMMISSIONER.] Notwithstanding the provisions of section 13.03, the responsible authority of a state agency, political subdivision, or statewide system may apply to the commissioner for permission to classify data or types of data on individuals as private or confidential, or data not on individuals as non-public or protected non-public, for its own use and for the use of other similar agencies, political subdivisions, or statewide systems on a temporary basis until a proposed statute can be acted upon by the legislature. The application for temporary classification is public.

Upon the filing of an application for temporary classification, the data which is the subject of the application shall be deemed to be classified as set forth in the application for a period of 45 days, or until the application is disapproved, *rejected*, or granted by the commissioner, whichever is earlier.

If the commissioner determines that an application has been submitted for purposes not consistent with this section, the commissioner may immediately reject the application, give notice of that rejection to the applicant, and return the application. When the applicant receives the notice of rejection from the commissioner, the data which was the subject of the application shall have the classification it had before the application was submitted to the commissioner.

Sec. 11. Minnesota Statutes 1982, section 13.06, subdivision 6, is amended to read:

Subd. 6. [EXPIRATION OF TEMPORARY CLASSIFICATION.] (EMERGENCY CLASSIFICATIONS GRANTED BEFORE JULY 1, 1979 ARE REDESIGNATED AS TEMPORARY CLASSIFICATIONS. ALL) A temporary (CLASSIFICATIONS) *classification* granted under this section (PRIOR TO APRIL 24, 1980 AND STILL IN EFFECT, AND ALL TEMPORARY CLASSIFICATIONS THEREAFTER APPLIED FOR AND GRANTED PURSUANT TO THIS SECTION) shall expire (ON JULY 31, 1981 OR 24 MONTHS) *ten days* after the (CLASSIFICATION IS GRANTED, WHICHEVER OCCURS LATER) *end of the second complete regular legislative session that follows the commissioner's granting of the temporary classification.*

Sec. 12. Minnesota Statutes 1982, section 13.31, subdivision 2, is amended to read:

Subd. 2. [PUBLIC DATA.] The names and addresses of applicants for and recipients of benefits (CHARACTERIZED AS THE URBAN HOMESTEADING, HOME OWNERSHIP, AND NEW HOUSING PROGRAMS OPERATED BY A HOUSING AND REDEVELOPMENT AUTHORITY IN A CITY OF THE FIRST CLASS), aid, or assistance through programs administered by any political subdivision, state agency, or statewide system that are intended to assist with the purchase of housing or other real property are classified as public data on individuals.

Sec. 13. Minnesota Statutes 1982, section 13.31, subdivision 3, is amended to read:

Subd. 3. [PRIVATE DATA.] Unless otherwise provided by law, all other benefit data is private data on individuals, and shall not be disclosed except pursuant to (A VALID) court order or to an agent of the state agency, political subdivision, or statewide system, including appropriate law enforcement personnel, who are acting in an investigation or prosecution of a criminal or civil proceeding relating to the administration of a program described in subdivision 1.

Sec. 14. Minnesota Statutes 1982, section 13.32, subdivision 3, is amended to read:

Subd. 3. Except as provided in subdivision 5, educational data is private data on individuals and shall not be disclosed except as follows:

- (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 disclose information in health and safety emergencies pursuant to the provisions of 20 U.S.C., Section 1232g(b)(1)(I) and 45 C.F.R., Section 99.36 which are in effect on July 1, 1979;
- (e) Pursuant to the provisions of 20 U.S.C., Sections 1232g(b)(1), (b)(4)(A), (b)(4)(B), (b)(1)(B), (b)(3) and 45 C.F.R., Sections 99.31, 99.32, 99.33, 99.34 and 99.35 which are in effect on July 1, 1979; or
- (f) To appropriate health authorities (BUT ONLY) to the extent necessary to administer immunization programs and for bona fide epidemiologic investigations which the commissioner of health determines are necessary to prevent disease or disability to individuals in the public educational agency or institution in which the investigation is being conducted.

Sec. 15. Minnesota Statutes 1982, section 13.37, subdivision 2, is amended to read:

Subd. 2. [CLASSIFICATION.] The following government data is classified as nonpublic data with regard to data not on individuals, pursuant to section 13.02, subdivision 9, and as private data with regard to data on individuals, pursuant to section 13.02, subdivision 12: Security information (,); trade secret information (,); sealed absentee ballots prior to opening by an election judge (,); sealed bids, *including the number of bids received*, prior to the opening of the (BID,) bids; and labor relations information. Provided that specific labor relations information which relates to a specific labor organization is classified as protected nonpublic data pursuant to section 13.02, subdivision 13.

Sec. 16. Minnesota Statutes 1982, section 13.41, is amended by adding a subdivision to read:

Subd. 5. [RELEASING DATA.] *Any licensing agency may make any data classified as private or confidential pursuant to this section accessible to an appropriate person or agency if the licensing agency determines that failure to make the data accessible is likely to create a clear and present danger to public health or safety.*

Sec. 17. Minnesota Statutes 1982, section 13.43, subdivision 2, is amended to read:

Subd. 2. [PUBLIC DATA.] Except for employees described in subdivision 5, the following personnel data on current and former employees, volunteers, and independent contractors of a state agency, statewide system, or political subdivision and members of advisory boards or commissions is public: name; actual gross salary; salary range; contract fees; actual gross pension; the value and nature of employer paid fringe benefits; the basis for and the amount of any added remuneration, including expense reimbursement, in addition to salary; job title; job description; education and training background; previous work experience; date of first and last employment; the status of any complaints or charges against the employee, whether or not the complaint or charge resulted in a disciplinary action; and the final disposition of any disciplinary action and supporting documentation; work location; a work telephone number; badge number; honors and awards received; (DATA WHICH ACCOUNTS FOR THE INDIVIDUAL'S WORK TIME) *payroll time sheets or other comparable data that are only used to account for employee's work time for payroll purposes, except to the extent that release of time sheet data would reveal the employee's reasons for the use of sick or other medical leave or other not public data*; and (,) city and county of residence.

Sec. 18. Minnesota Statutes 1982, section 13.44, is amended to read:

13.44 [PROPERTY COMPLAINT DATA.]

The (NAMES) *identities* of individuals who register complaints with state agencies or political subdivisions concerning violations of state laws or local ordinances concerning the use of real property are classified as confidential *data*, pursuant to section 13.02, subdivision 3.

Sec. 19. 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. 20. Minnesota Statutes 1983 Supplement, 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;

(g) Between personnel of the welfare system working in the same program;

(h) The amounts of cash public assistance and relief paid to welfare recipients in this state, including their names and social security numbers, upon request by the department of revenue to administer the property tax refund law, supplemental housing allowance, and the income tax; or

(i) To the Minnesota department of economic security for the purpose of monitoring the eligibility of the data subject for unemployment compensation or for any employment or training program administered by that agency, whether alone or in conjunction with the welfare system.

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. 21. 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 statutes specifically authorizing access to or disclosure of private data.

Sec. 22. 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. 23. 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. 24. 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 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 restrict-

ed when access is necessary for the administration and management of programs, or is authorized or required by statute or federal law.

Sec. 25. [13.58] [HOMESTEAD APPLICATION DATA.]

The following data collected and maintained by political subdivisions are classified as private data pursuant to section 13.02, subdivision 12: the social security account numbers and detailed financial data submitted by individuals who are applying for class 3cc homestead classifications pursuant to section 273.13.

Sec. 26. [13.59] [REDEVELOPMENT DATA.]

Subdivision 1. [PRIVATE DATA.] The following data collected in surveys of individuals conducted by cities and housing and redevelopment authorities for the purposes of planning, development, and redevelopment, are classified as private data pursuant to section 13.02, subdivision 12: the names and addresses of individuals and the legal descriptions of property owned by individuals.

Subd. 2. [NONPUBLIC DATA.] The following data collected in surveys of businesses conducted by cities and housing and redevelopment authorities, for the purposes of planning, development, and redevelopment, are classified as nonpublic data pursuant to section 13.02, subdivision 9: the names, addresses, and legal descriptions of business properties and the commercial use of the property to the extent disclosure of the use would identify a particular business.

Sec. 27. [13.60] [ELECTED OR APPOINTED OFFICIALS; FINANCIAL DISCLOSURE STATEMENTS.]

Financial disclosure statements of elected or appointed officials which, by requirement of the political subdivision, are filed with the political subdivision, are public data on individuals.

Sec. 28. [13.64] [DEPARTMENT OF ADMINISTRATION DATA.]

Notes and preliminary drafts of reports created, collected, or maintained by the management analysis division, department of administration, and prepared during audits or investigations of state departments and agencies are classified as confidential or protected nonpublic data until the final report has been published or preparation of the report is no longer being actively pursued. Data that support the conclusions of the report and that the commissioner of administration reasonably believes will result in litigation are confidential or protected nonpublic until the litigation has been completed or until the litigation is no

longer being actively pursued. Data on individuals that could reasonably be used to determine the identity of an individual supplying data for a report are private if (a) the data supplied by the individual were needed for an audit and (b) the data would not have been provided to the management analysis division without an assurance to the individual that his identity would remain private.

Sec. 29. Minnesota Statutes 1982, section 13.67, is amended to read:

13.67 [EMPLOYEE RELATIONS DATA.]

The following data collected, created, or maintained by the department of employee relations are classified as nonpublic data pursuant to section 13.02, subdivision 9:

(a) The commissioner's plan prepared by the department, pursuant to section 3.855, which governs the compensation and terms and conditions of employment for employees not covered by collective bargaining agreements until the plan is submitted to the legislative commission on employee relations;

(b) Data pertaining to grievance or interest arbitration that has not been presented to the arbitrator or other party during the arbitration process; (AND)

(c) Notes and preliminary drafts of reports prepared during personnel investigations and personnel management reviews of state departments and agencies; and

(d) *The managerial plan prepared by the department pursuant to section 43A.18 that governs the compensation and terms and conditions of employment for employees in managerial positions, as specified in section 43A.18, subdivision 3, and for employees in the career executive service pursuant to section 43A.18, subdivision 3, clause (c), until the plan is submitted to the legislative commission on employee relations.*

Sec. 30. [13.74] [ENVIRONMENTAL QUALITY DATA.]

The following data collected and maintained by the environmental quality board are classified as private data pursuant to section 13.02, subdivision 12: the names and addresses of individuals who submitted information and letters concerning personal health problems associated with transmission lines.

Sec. 31. [13.75] [BUREAU OF MEDIATION SERVICES DATA.]

Subdivision 1. [REPRESENTATION DATA.] Authorization signatures or cards furnished in support of a petition filed

or election conducted under sections 179.16, 179.18 to 179.25, and 179.67, and all ballots, prior to the time of tabulation, are classified as protected nonpublic data with regard to data not on individuals pursuant to section 13.02, subdivision 13, and as confidential data on individuals with regard to data on individuals pursuant to section 13.02, subdivision 3.

Subd. 2. [MEDIATION DATA.] All data received or maintained by the director of the bureau of mediation services or his staff during the course of providing mediation services to the parties to a labor dispute under the provisions of chapter 179 are classified as protected nonpublic data with regard to data not on individuals, pursuant to section 13.02, subdivision 13, and as confidential data on individuals pursuant to section 13.02, subdivision 3, except to the extent the director of the bureau of mediation services determines such data are necessary to fulfill the requirements of section 179.71, subdivisions 5 and 6, or to identify the general nature of or parties to a labor dispute.

Sec. 32. Minnesota Statutes 1983 Supplement, section 48.512, 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. 33. [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. 34. Minnesota Statutes 1983 Supplement, section 609.535, subdivision 7, 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 costs, 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. 35. [EFFECTIVE DATE.]

Sections 1 to 34 are effective the day following final enactment."

Delete the title and insert:

"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, and the temporary classification of data; refining provisions of the data practices act; amending Minnesota Statutes 1982, sections 13.02, by adding a subdivision; 13.03, subdivisions 3 and 4, and by adding a subdivision; 13.04, subdivision 2; 13.05, subdivisions 3, 7, 9, and 10; 13.06, subdivisions 1 and 6; 13.31, subdivisions 2 and 3; 13.32, subdivision 3; 13.37, subdivision 2; 13.41, by adding a subdivision; 13.44; 13.46, subdivision 1, and by adding subdivisions; and 13.67; and Minnesota Statutes 1983 Supplement, sections 13.46, subdivision 2; 48.512, subdivision 3; and 609.535, subdivision 7; proposing new law coded in Minnesota Statutes, chapters 13 and 144."

We request adoption of this report and repassage of the bill.

Senate Conferees: RANDOLPH W. PETERSON, GENE MERRIAM and KON SIELOFF.

House Conferees: BOB ELLINGSON, LONA MINNE 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. The motion prevailed.

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

The question was taken on the repassage of the bill and the roll was called. There were 115 yeas and 1 nay as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Rodosovich

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

SPECIAL ORDERS, Continued

S. F. No. 1736 was reported to the House.

SUSPENSION OF RULES

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, Kahn moved that the rule therein be suspended and an urgency be declared so that S. F. No. 1736 be given its third reading and be placed upon its final passage. The motion prevailed.

Kahn moved that the rules of the House be so far suspended that S. F. No. 1736 be given its third reading and be placed upon its final passage. The motion prevailed.

Kahn moved to amend S. F. No. 1736, as follows:

Page 1, after line 15, insert:

"Section 1. [119.01] [MINNESOTA EDUCATIONAL COMPUTING CORPORATION, PURPOSE.]

The purpose of the Minnesota educational computing corporation is to provide cost-effective computing and technology related products and services to the educational programs of educational institutions and agencies in Minnesota and elsewhere. The legislature recognizes that computers are a major factor in the operation of educational institutions, both in terms of cost and in importance as an instructional tool. Furthermore, the legislature has historically supported the development of curricula for Minnesota educational institutions that include educational computing materials. While it is important that educational institutions be able to join together to gain economies in purchasing power, it is equally important that computer software and documentation be created, and that instructional and administrative computing services be provided to meet the needs of Minnesota educational institutions. The purpose of the public corporation known as the Minnesota educational computing corporation is to meet these needs.

The legislature intends to establish autonomy for the Minnesota educational computing corporation from state support, with the goal of limiting direct legislative funding of Minnesota educational computing corporation services."

Renumber subsequent sections

Page 1, line 18, delete "8" and insert "9"

Page 1, line 29, delete "2" and insert "3"

Page 2, line 4, delete everything after "to" and insert "further the public purpose in section 1"

Page 2, delete line 5

Page 2, line 6, delete "institutions and agencies"

Page 2, line 24, delete "2" and insert "1"

Page 2, line 25, delete "8" and insert "9"

Page 3, line 9, delete "2" and insert "1"

Page 11, line 30, delete "15" and insert "17"

The motion prevailed and the amendment was adopted.

S. F. No. 1736, 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; 352D.02, subdivision 1; 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 third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 114 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

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 third time 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 21 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Elioff	Kostohryz	Otis	Solberg
Anderson, C.	Ellingson	Krueger	Peterson	Sparby
Anderson, R.	Erickson	Kvam	Piper	Stadium
Battaglia	Evans	Larsen	Quist	Sviggunn
Beard	Findlay	Levi	Redalen	Tunheim
Begich	Fjoslien	Ludeman	Rice	Uphus
Bergstrom	Graba	Mann	Rodosovich	Valan
Bishop	Greenfield	Marsh	Rodriguez, F.	Valento
Blatz	Gruenes	McEachern	Rose	Vellenga
Boo	Gustafson	McKasy	St. Onge	Waltman
Brandl	Haukoos	Metzen	Sarna	Welch
Brinkman	Heap	Munger	Schafer	Welker
Burger	Heimitz	Murphy	Scheid	Welle
Carlson, D.	Himle	Nelson, D.	Schoenfeld	Wigley
Carlson, L.	Hokr	Nelson, K.	Seaberg	Zaffke
Clark, J.	Jensen	Neuenschwander	Segal	Speaker Sieben
Clawson	Johnson	Ogren	Shaver	
Cohen	Kahn	Olsen	Sherman	
Coleman	Kelly	Omann	Simoneau	
Dempsey	Knickerbocker	Onnen	Skoglund	

Those who voted in the negative were:

Bennett	Gutknecht	Kalis	Osthoff	Rodriguez, C.
DenOuden	Halberg	McDonald	Pauly	Schreiber
Dimler	Hoffman	Minne	Piepho	Swanson
Forsythe	Jennings	Norton	Reif	Tomlinson
Frerichs				

The bill was passed and its title agreed to.

S. F. No. 1520 was reported to the House.

Kalis moved to amend S. F. No. 1520, as follows:

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) 26,000	270
K	(27,001) 26,001 - 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 re-register the vehicle at 100 percent of the full annual tax prescribed in the Minnesota base rate schedule, and no part of this tax shall be refunded during the balance of the registration year.

On commercial zone trucks the tax shall be based on the total gross weight of the vehicle and during the first eight years of vehicle life shall be 75 percent of the Minnesota base rate schedule. During the ninth and succeeding years of vehicle life the tax shall be 50 percent of the Minnesota base rate schedule, except as 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 semi-trailer, 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 re-

turn 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 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 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 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.)

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

Duesenberg

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 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 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 transfers 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 pickup (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, wholesale 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 168.29, 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. 22. 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. 23. 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. 24. 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 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 *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. 25. 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. 26. 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. 27. 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. 28. 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. 29. 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. 30. 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. 31. 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. 32. 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 en-

dorsement 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. 33. 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. 34. [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."

The motion prevailed and the amendment was adopted.

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 third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 120 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Boo	DenOuden	Frerichs	Himle
Anderson, G.	Brandl	Dimler	Graba	Hoffman
Anderson, R.	Brinkman	Eken	Greenfield	Hokr
Battaglia	Burger	Elioff	Gruenes	Jacobs
Beard	Carlson, D.	Ellingson	Gustafson	Jennings
Begich	Carlson, L.	Erickson	Gutknecht	Jensen
Bennett	Clark, J.	Evans	Halberg	Johnson
Bergstrom	Clawson	Findlay	Haukoos	Kalis
Bishop	Coleman	Fjoslien	Heap	Kelly
Blatz	Dempsey	Forsythe	Heinitz	Knickerbocker

Knuth	Munger	Piepho	Schreiber	Tunheim
Kostohryz	Murphy	Piper	Seaberg	Uphus
Krueger	Nelson, D.	Price	Segal	Valan
Kvam	Nelson, K.	Quist	Shaver	Valento
Larsen	Neuenschwander	Reif	Sherman	Vanasek
Levi	Norton	Rice	Simoneau	Waltman
Ludeman	Ogren	Riveness	Skoglund	Welch
Mann	Olsen	Rodosovich	Solberg	Welker
Marsh	Omann	Rodriguez, F.	Sparby	Welle
McDonald	Onnen	Rose	Stadum	Wenzel
McEachern	Osthoff	St. Onge	Staten	Wigley
McKasy	Otis	Sarna	Swanson	Wynia
Metzen	Pauly	Schafer	Thiede	Zaffke
Minne	Peterson	Schoenfeld	Tomlinson	Speaker Sieben

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

The following conference committee reports were received:

CONFERENCE COMMITTEE REPORT ON H. F. NO. 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.

April 19, 1984

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

The Honorable Jerome M. Hughes
President of the Senate

We, the undersigned conferees for H. F. No. 756, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments and that H. F. No. 756 be further amended as follows:

Delete everything after the enacting clause and 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) *the governor deems necessary.*

Subd. 2. [NONRESIDENT NOTARIES.] Notwithstanding the provisions of subdivision 1, the governor may appoint as notary public, by and with the advice and consent of the senate, a person who is not a resident of this state and who is not a resident of the county for which appointment is sought if:

(1) the person is a resident of Wisconsin, Iowa, North Dakota, or South Dakota, and of a county that shares a boundary with this state;

(2) the person designates the clerk of the district court of a county of this state that shares a boundary with the county of residence as agent for the service of process for all purposes relating to notarial acts 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.

Sec. 2. Minnesota Statutes 1982, section 359.02, is amended to read:

359.02 [TERM, BOND, OATH, REAPPOINTMENT.]

Every notary so commissioned shall hold office for (SEVEN) six years, unless sooner removed by the governor or the district court; and, before entering upon the duties of his office, he shall give a bond to the state in the sum of (\$2,000) *\$10,000*, to be approved by the governor, conditioned for the faithful discharge of the duties of his office, which, with his oath of office, shall be filed with the secretary of state. Within ten days before the expiration of his commission he may be reappointed for a new term to commence and to be designated in his new commission as beginning upon the day immediately following such expiration. The reappointment so made shall go into effect and be valid although the appointing governor may not be in the office of governor on said day.

Sec. 3. [359.071] [CHANGE OF RESIDENCE.]

A notary public who, during his term of office, establishes residency in a county of this state other than the county for which he was appointed, may file with the secretary of state an affidavit identifying the county of current residency, the county for which he is appointed as notary public, and the date of change of residency. If the affidavit is properly filed, the notary shall continue to have the same powers during the unexpired term of his appointment as if he had not changed residence. No new bond is required to be given to the state and the existing bond shall

remain valid until the expiration of the commission. The notary public shall be entitled to use his official seal for the remainder of his term.

Sec. 4. [APPLICATION.]

The reduction in the term of a notary and the increase in the bond provided by section 2 do not apply to a notary whose current commission is dated prior to August 1, 1984, but shall apply to all commissions dated on and after that date."

Delete the title and insert:

"A bill for an act relating to notarial acts; 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; changing the term of office for notaries public; increasing the bond amount; providing for transfer of notary public commissions; amending Minnesota Statutes 1982, sections 359.01; and 359.02; proposing new law coded in Minnesota Statutes, chapter 359."

We request adoption of this report and repassage of the bill.

House Conferees: FRED C. NORTON, BERT J. MCKASY and SHARON COLEMAN.

Senate Conferees: TAD JUDE and RON SIELOFF.

Norton moved that the report of the Conference Committee on H. F. No. 756 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

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 by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 117 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Battaglia	Bennett	Blatz	Brinkman
Anderson, G.	Beard	Bergstrom	Boo	Burger
Anderson, R.	Begich	Bishop	Brandl	Carlson, D.

Carlson, L.	Halberg	Ludeman	Redalen	Stadum
Clark, J.	Haukoos	Mann	Reif	Staten
Clawson	Heap	Marsh	Rice	Sviggun
Cohen	Heinitz	McDonald	Riveness	Swanson
Coleman	Himle	McKasy	Rodosovich	Tomlinson
Dempsey	Hoffman	Minne	Rodriguez, C.	Tunheim
DenOuden	Hokr	Murphy	Rodriguez, F.	Uphus
Dimler	Jacobs	Nelson, D.	Rose	Valan
Eken	Jennings	Nelson, K.	St. Onge	Valento
Elioff	Jensen	Neuenschwander	Sarna	Vanasek
Ellingson	Johnson	Norton	Schafer	Vellenga
Erickson	Kahn	Ogren	Scheid	Waltman
Evans	Kelly	Olsen	Schoenfeld	Welch
Findlay	Knickerbocker	Omann	Schreiber	Welker
Forsythe	Knuth	Onnen	Seaberg	Wigley
Frerichs	Kostohryz	Osthoff	Segal	Wynia
Graba	Krueger	Otis	Shaver	Zaffke
Greenfield	Kvam	Pauly	Sherman	Speaker Sieben
Gruenes	Larsen	Piepho	Simoneau	
Gustafson	Levi	Price	Skoglund	
Gutknecht	Long	Quist	Sparby	

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

CONFERENCE COMMITTEE REPORT ON 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 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.

April 19, 1984

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

The Honorable Jerome M. Hughes
President of the Senate

We, the undersigned conferees for H. F. No. 1814, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment and that H. F. No. 1814 be further amended as follows:

Page 1, delete lines 29 to 36

Page 2, delete lines 1 to 36

Page 3, delete line 1

Page 15, after line 9, insert:

"Sec. 9. 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 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. 10. 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. 11. 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."

Page 18, after line 7, insert:

"Sec. 15. 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 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 pursuant to part (a) and imposed on and collected from such taxpayer shall be distributed by the commissioner of revenue to the county in which the power plant is located.

(c) Four cents per taxable ton shall be paid to the county from which the taconite was mined, quarried or concentrated to be deposited in the county road and bridge fund. If the mining, quarrying and concentrating, or separate steps in any of those processes are carried on in more than one county, the commissioner shall follow the apportionment formula prescribed in clause (1).

(5) (a) 25.75 cents per taxable ton, less any amount required to be distributed under part (b), to the taconite property tax relief account in the apportionment fund in the state treasury, to be distributed as provided in sections 273.134 to 273.136.

(b) If an electric power plant owned by and providing the primary source of power for a taxpayer mining and concentrating taconite is located in a county other than the county in which the mining and the concentrating processes are conducted, .75 cent per taxable ton of the tax imposed and collected from such taxpayer shall be distributed by the commissioner of revenue to the county and school district in which the power plant is located as follows: 25 percent to the county and 75 percent to the school district.

(6) One cent per taxable ton to the state for the cost of administering the tax imposed by section 298.24.

(7) Three cents per taxable ton shall be deposited in the state treasury to the credit of the iron range resources and rehabilitation board account in the special revenue fund for the purposes of section 298.22. The amount determined in this clause

shall be increased in 1981 and subsequent years in the same proportion as the increase in the steel mill products index as provided in section 298.24, subdivision 1. The amount distributed pursuant to this clause shall be expended within or for the benefit of a tax relief area defined in section 273.134. No part of the fund provided in this clause may be used to provide loans for the operation of private business unless the loan is approved by the governor and the legislative advisory commission.

(8) .20 cent per taxable ton shall be paid in 1979 and each year thereafter, to the range association of municipalities and schools, for the purpose of providing an area wide approach to problems which demand coordinated and cooperative actions and which are common to those areas of northeast Minnesota affected by operations involved in mining iron ore and taconite and producing concentrate therefrom, and for the purpose of promoting the general welfare and economic development of the cities, towns and school districts within the iron range area of northeast Minnesota.

(9) the amounts determined under clauses (4)(a), (4)(c), and (5) shall be increased in 1979 and subsequent years in the same proportion as the increase in the steel mill products index as provided in section 298.24, subdivision 1.

(10) the proceeds of the tax imposed by section 298.24 which remain after the distributions in clauses (1) to (9) and parts (a) and (b) of this clause have been made shall be divided between the taconite environmental protection fund created in section 298.223 and the northeast Minnesota economic protection 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 commissioner of revenue shall annually on or before October 10 report an estimated distribution amount to each taxing district and 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 (,) or 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 (,) or city (OR SCHOOL DISTRICT) are greater than the amount estimated by the commissioner to be paid to any such county (,) or city (OR SCHOOL DISTRICT) in such year, the excess of such distribution shall be held in a special fund by the county (,) or 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 (,) or city (OR SCHOOL DISTRICT) payable in such year. If the amounts distributable to any such county (,) or city (OR SCHOOL DISTRICT,) after final determination by the commissioner of revenue under this section are less than the amounts (INDICATED BY SUCH ESTIMATES) by which a taxing district's levies were reduced pursuant to this section, such county (,) or 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."

Page 22, delete lines 8 to 12

Page 22, delete lines 17 to 21 and insert:

"Sections 1, 4, 7, 8, 12, 13, and 17 to 20 are effective the day following final enactment. Sections 2, 5, 6, and 16 are effective for taxes levied in 1984 and thereafter, payable in 1985 and thereafter. Sections 9 to 11 are effective for claims based on property taxes payable in 1985 and thereafter. Sections 14 and 15 are effective for taconite produced in 1984 and thereafter, taxes payable in 1985 and thereafter."

Renumber the sections in sequence.

Amend the title as follows:

Page 1, line 16, delete everything after the semicolon

Page 1, line 17, delete "for dishonored checks;"

Page 1, line 21, delete "124.2137, subdivision 1;"

Page 1, line 23, after "3i"; delete "and" and after "276.04;" insert "290A.03, subdivisions 8 and 13; 290A.05; and 298.28, subdivision 1;"

Page 1, line 24, after "297" delete the semicolon and insert "and" and after "340;" delete "and 385;"

We request adoption of this report and repassage of the bill.

House Conferees: TOM OSTHOFF, LINDA SCHEID and RANDY KELLY.

Senate Conferees: DOUGLAS J. JOHNSON, CONRAD M. VEGA and CHARLES A. BERG.

Osthoff moved that the report of the Conference Committee on H. F. No. 1814 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

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, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 122 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

MESSAGES FROM THE SENATE, Continued

The following messages were received from the Senate:

Mr. Speaker:

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

H. F. No. 1203, 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; amending Minnesota Statutes 1982, section 504.22, subdivision 1, and by adding a subdivision.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Norton moved that the House concur in the Senate amendments to H. F. No. 1203 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1203, A bill for an act relating to landlords and tenants; requiring cities and towns to include notification of rights on certificates or licenses of occupancy; requiring the attorney general to publish a statement informing tenants of their rights and duties under state law; amending Minnesota Statutes 1982, section 504.22, subdivisions 1, 3, 4, and 5, and by adding a subdivision; proposing new law coded in Minnesota Statutes, chapter 471.

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

The question was taken on the repassage of the bill and the roll was called. There were 110 yeas and 10 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Ellingson	Kalis	Ogren	Segal
Anderson, G.	Evans	Kelly	Olsen	Shaver
Battaglia	Findlay	Knickerbocker	Omanning	Sherman
Beard	Fjoslien	Knuth	Onnen	Simoneau
Begich	Forsythe	Kostohryz	Osthoff	Skoglund
Bennett	Graba	Krueger	Otis	Solberg
Bergstrom	Greenfield	Kvam	Pauly	Sparby
Bishop	Gruenes	Levi	Price	Stadum
Blatz	Gustafson	Long	Quist	Staten
Boo	Gutknecht	Mann	Redalen	Sviggum
Brandl	Halberg	Marsh	Reif	Swanson
Brinkman	Haukoos	McDonald	Rice	Tomlinson
Burger	Heap	McEachern	Riveness	Tunheim
Carlson, D.	Heinitz	Metzen	Rodosovich	Uphus
Carlson, L.	Himle	Minne	Rodriguez, C.	Valan
Clark, J.	Hoffman	Munger	Rodriguez, F.	Valento
Clark, K.	Hokr	Murphy	Rose	Vellenga
Cohen	Jacobs	Nelson, D.	St. Onge	Waltman
Coleman	Jennings	Nelson, K.	Sarna	Welch
Dempsey	Jensen	Neuenschwander	Scheid	Wenzel
Dimler	Johnson	Norton	Schoenfeld	Wigley
Eken	Kahn	O'Connor	Seaberg	Wynia

Those who voted in the negative were:

Anderson, R.	Erickson	Ludeman	Schafer	Welker
DenOuden	Frerichs	Piepho	Thiede	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 House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 1386, A bill for an act relating to children; authorizing intervention by the juvenile court to protect children from abuse committed by family or household members; prohibiting public inspection of certain court records relating to the identity

of criminal sexual conduct victims; clarifying a term in the child abuse reporting law; amending Minnesota Statutes 1982, sections 260.015, by adding subdivisions; 260.111, by adding a subdivision; and 260.191, by adding a subdivision; Minnesota Statutes 1983 Supplement, section 626.556, subdivision 2; proposing new law coded in Minnesota Statutes, chapters 260 and 609.

PATRICK E. FLAHAVEN, Secretary of the Senate

Clark, J., moved that the House refuse to concur in the Senate amendments to H. F. No. 1386, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

Mr. Speaker:

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

H. F. No. 1903, A bill for an act relating to local government; permitting refunding of certain bonds; clarifying powers of municipalities with respect to sale of air rights; amending Minnesota Statutes 1982, sections 472A.03; and 472A.06.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Rice moved that the House concur in the Senate amendments to H. F. No. 1903 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1903, A bill for an act relating to local government; permitting the payment of certain legal fees by cities and counties; clarifying powers of municipalities with respect to sale of air rights; permitting refunding of certain bonds; amending Minnesota Statutes 1982, sections 472A.03 and 472A.06; proposing new law coded in Minnesota Statutes, chapter 465.

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

The question was taken on the repassage of the bill and the roll was called. There were 122 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Blatz	Clark, J.	Eken	Forsythe
Anderson, G.	Boo	Clark, K.	Elioff	Frerichs
Anderson, R.	Brandl	Clawson	Ellingson	Graba
Battaglia	Brinkman	Cohen	Erickson	Greenfield
Begich	Burger	Coleman	Evans	Gruenes
Bennett	Carlson, D.	DenOuden	Findlay	Gustafson
Bishop	Carlson, L.	Dimler	Fjoslien	Gutknecht

Halberg	Levi	Olsen	St. Onge	Tomlinson
Haukoos	Long	Omann	Sarna	Tunheim
Heap	Ludeman	Onnen	Schafer	Uphus
Heinitz	Mann	Osthoff	Scheid	Valan
Himle	Marsh	Otis	Schoenfeld	Valento
Hoffman	McDonald	Pauly	Schreiber	Vanasek
Hokr	McEachern	Peterson	Seaberg	Waltman
Jacobs	McKasy	Picpho	Segal	Welch
Jennings	Metzen	Piper	Shaver	Welker
Jensen	Minne	Price	Sherman	Welle
Johnson	Munger	Quist	Simoneau	Wenzel
Kalis	Murphy	Redalen	Skoglund	Wigley
Kelly	Nelson, D.	Reif	Solberg	Wynia
Knickerbocker	Nelson, K.	Rice	Stadum	Zaffke
Knuth	Neuenschwander	Riveness	Staten	Speaker Sieben
Kostohryz	Norton	Rodosovich	Stvggum	
Kvam	O'Connor	Rodriguez, F.	Swanson	
Larsen	Ogren	Rose	Thiede	

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

ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1386:

Clark, J.; Greenfield and Levi.

SPECIAL ORDERS, Continued

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 third 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.	Carlson, D.	Ellingson	Halberg	Kelly
Anderson, C.	Carlson, L.	Erickson	Haukoos	Knickerbocker
Anderson, R.	Clark, J.	Evans	Heap	Knuth
Battaglia	Clark, K.	Findlay	Heinitz	Kostohryz
Beard	Clawson	Fjoslien	Himle	Krueger
Begich	Cohen	Forsythe	Hoffman	Kvam
Bennett	Coleman	Frerichs	Hokr	Larsen
Bishop	Dempsey	Graba	Jacobs	Levi
Boo	DenOuden	Greenfield	Jennings	Long
Brandl	Dimler	Gruenes	Jensen	Ludeman
Brinkman	Eken	Gustafson	Johnson	Mann
Burger	Ehoff	Gutknecht	Kalis	Marsh

McDonald	Olsen	Riveness	Shaver	Uphus
McEachern	Omann	Rodosovich	Shea	Valan
McKasy	Onnen	Rodriguez, C.	Sherman	Valento
Metzen	Osthoff	Rodriguez, F.	Simoneau	Vanasek
Miane	Pauly	Rose	Skoglund	Voss
Munger	Peterson	St. Onge	Sparby	Wattman
Murphy	Piepho	Sarna	Stadum	Welch
Nelson, D.	Piper	Schafer	Staten	Welle
Nelson, K.	Price	Scheid	Sviggum	Wenzel
Neuenschwander	Quist	Schoenfeld	Swanson	Wigley
Norton	Redalen	Schreiber	Thiede	Wynia
O'Connor	Reif	Seaberg	Tomlinson	Zaffke
Ogren	Rice	Segal	Tunheim	Speaker Sieben

Those who voted in the negative were:

Solberg Welker

The bill was passed and its title agreed to.

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 third 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.	Eken	Jennings	Murphy	Rodosovich
Anderson, R.	Elioff	Jensen	Nelson, D.	Rodriguez, C.
Battaglia	Ellingson	Johnson	Nelson, K.	Rodriguez, F.
Beard	Erickson	Kalis	Neuenschwander	Rose
Begich	Evans	Kelly	Norton	St. Onge
Bennett	Findlay	Knickerbocker	O'Connor	Sarna
Bishop	Fjoslien	Knuth	Ogren	Schafer
Blatz	Forsythe	Kostohryz	Olsen	Scheid
Boo	Frerichs	Krueger	Omann	Schoenfeld
Brandl	Graba	Kvam	Onnen	Schreiber
Brinkman	Greenfield	Larsen	Osthoff	Seaberg
Burger	Gruenes	Levi	Otis	Segal
Carlson, D.	Gustafson	Long	Pauly	Sherman
Carlson, L.	Gutknecht	Ludeman	Peterson	Simoneau
Clark, J.	Haiberg	Mann	Piepho	Skoglund
Clark, K.	Haukoos	Marsh	Piper	Solberg
Clawson	Heap	McDonald	Price	Sparby
Cohen	Heinitz	McEachern	Quist	Stadum
Coleman	Himle	McKasy	Redalen	Staten
Dempsey	Hoffman	Metzen	Reif	Sviggum
DenOuden	Hokr	Miane	Rice	Thiede
Dimler	Jacobs	Munger	Riveness	Tomlinson

Tunheim
Uphus
Valan

Valento
Vellenga
Voss

Waltman
Welker
Welle

Wenzel
Wigley
Wynia

Zaffke
Speaker Sieben

The bill was passed and its title agreed to.

S. F. No. 1492, 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 69.62; 257.66, by adding a subdivision; 353.15; 354.10; 422A.24; 423.39; 423.61; 423.813; 424.27; 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; 424A.02, subdivision 6; 518.17, subdivision 5; 518.551, subdivisions 5 and 9; 518.611, subdivision 3; 518C.17, subdivision 1; and 548.09, subdivisions 1 and 3; proposing new law coded in Minnesota Statutes, chapters 423A and 548; repealing Laws 1981, chapter 48, section 5; Laws 1935, chapter 192, section 4; Laws 1943, chapter 397, section 26; Laws 1945, chapter 74, section 5; Laws 1947, chapter 43, section 26; Laws 1949, chapters 87, section 29; 144, section 26; 378, section 26; and 406, section 7, subdivision 3, as amended; Laws 1953, chapters 91, section 12; 348, section 22; and 399, section 26; Laws 1955, chapters 75, section 27, as amended; 151, section 17; and 375, section 28; Laws 1959, chapter 131, section 22; Laws 1961, chapters 343, section 22, as amended; and 631, section 4; Laws 1963, chapters 443, section 22; and 643, section 23; Laws 1965, chapter 605, section 28; Laws 1971, chapter 51, section 14, subdivision 16; Laws 1973, chapter 432, section 7, subdivision 2; Laws 1974, chapter 382, section 7, subdivision 2; Laws 1977, chapter 374, section 15; and Laws 1982, chapter 610, section 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 124 yeas and 2 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Brinkman	Elioff	Gustafson	Johnson
Anderson, C.	Burger	Ellingson	Gutknecht	Kahn
Anderson, R.	Carlson, L.	Erickson	Haukoos	Kalis
Battaglia	Clark, J.	Evans	Heap	Kelly
Beard	Clark, K.	Findlay	Heinitz	Knickerbocker
Begich	Clawson	Fjoslien	Himle	Knuth
Bennett	Cohen	Forsythe	Hoffman	Kostohryz
Bishop	Coleman	Frerichs	Hokr	Krueger
Blatz	Dempsey	Graba	Jacobs	Kvam
Boe	DenOuden	Greenfield	Jennings	Larsen
Brandl	Dimler	Gruenes	Jensen	Levi

Long	Ogren	Rice	Shaver	Uphus
Ludeman	Olsen	Riveness	Shea	Valan
Mann	Omann	Rodosovich	Sherman	Valento
Marsh	Onnen	Rodriguez, C.	Simoneau	Vellenga
McDonald	Osthoff	Rodriguez, F.	Skoglund	Waltman
McEachern	Otis	Rose	Solberg	Welch
McKasy	Pauly	St. Onge	Sparby	Welker
Metzen	Peterson	Sarna	Stadum	Welle
Minne	Piepho	Schafer	Staten	Wenzel
Munger	Piper	Scheid	Sviggum	Wigley
Murphy	Price	Schoenfeld	Swanson	Wynia
Nelson, K.	Quist	Schreiber	Thiede	Zaffke
Norton	Redalen	Seaberg	Tomlinson	Speaker Sieben
O'Connor	Reif	Segal	Tunheim	

Those who voted in the negative were:

Carlson, D. Halberg

The bill was passed and its title agreed to.

Wenzel was excused while in conference.

There being no objection the House advanced to S. F. No. 1451.

S. F. No. 1451, 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.

The bill was read for the third 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	Gustafson	Knuth	Nelson, K.
Anderson, G.	Cohen	Cutknecht	Kostohryz	Norton
Anderson, R.	Coleman	Halberg	Krueger	O'Connor
Battaglia	Dempsey	Haukoos	Kvam	Ogren
Beard	DenOuden	Heap	Larsen	Olsen
Begich	Dimler	Heinitz	Levi	Omann
Bennett	Elioff	Himle	Long	Onnen
Bergstrom	Ellingson	Hoffman	Ludeman	Osthoff
Bishop	Erickson	Hokr	Mann	Otis
Blatz	Evans	Jacobs	Marsh	Pauly
Boo	Findlay	Jennings	McDonald	Peterson
Brandl	Fjoslien	Jensen	McEachern	Piepho
Brinkman	Forsythe	Johnson	McKasy	Piper
Burger	Frerichs	Kahn	Metzen	Price
Carlson, D.	Graba	Kalis	Minne	Quist
Carlson, L.	Greenfield	Kelly	Munger	Redalen
Clark, J.	Gruenes	Knickerbocker	Murphy	Reif

Rice	Schafer	Simoneau	Tunheim	Welker
Riveness	Scheid	Skoglund	Uphus	Welle
Rodosovich	Schoenfeld	Solberg	Valan	Wigley
Rodriguez, C.	Schreiber	Sparby	Valento	Wynia
Rodriguez, F.	Seaberg	Stadum	Vanasek	Zaffke
Rose	Segal	Sviggum	Vellenga	Speaker Sieben
St. Onge	Shaver	Swanson	Waltman	
Sarna	Sherman	Thiede	Welch	

The bill was passed and its title agreed to.

S. F. No. 2016 was reported to the House.

Ellingson moved to amend S. F. No. 2016, as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 35.14, is amended to read:

35.14 [LIVESTOCK DETECTIVES FROM OTHER STATES.]

Any person duly commissioned by the governor, or the livestock commission, or any other proper authority of another state to act as a livestock detective, may exercise his power as such in this state, consistently with the laws thereof, upon paying a fee of \$5 and filing with the (SECRETARY OF STATE) *department of agriculture*:

- (1) His commission or a certified copy thereof;
- (2) A bond to the state in the penal sum of \$2,000, approved by the (SECRETARY) *commissioner of agriculture*, and conditioned for the payment of all damages resulting to any person from any wrongful seizure of property within the state, or other unlawful act done therein by him or by any of his deputies; and
- (3) A stipulation that service upon (SUCH SECRETARY) *the commissioner of agriculture* of any summons, order, notice, or process in a civil action upon such bond shall be a sufficient service upon him or his deputies.

Thereupon the (SECRETARY OF STATE) *commissioner of agriculture* shall issue certificates to him, and to not exceeding three deputies appointed by him, and for whose acts he shall be responsible, authorizing the holder to perform the duties herein referred to while such commission is in force; and each may seize and hold any animal which he may know, or have reason to believe, has strayed or been stolen from the state whence the commission issued.

Sec. 2. Minnesota Statutes 1982, section 62C.06, subdivision 3, is amended to read:

Subd. 3. The existence of a service plan corporation hereafter organized shall begin upon issuance of a certificate of incorporation by the secretary of state. (WITHIN 14 DAYS AFTER ISSUANCE OF THE CERTIFICATE, THE CORPORATION SHALL CAUSE TO BE PUBLISHED ONCE IN A QUALIFIED NEWSPAPER IN THE COUNTY IN WHICH IT HAS ITS REGISTERED OFFICE, A NOTICE STATING THE NAME OF THE CORPORATION, THE DATE OF INCORPORATION, THE GENERAL NATURE OF ITS BUSINESS, THE ADDRESS OF ITS REGISTERED OFFICE, AND THE NAMES AND ADDRESSES OF THE INCORPORATORS AND DIRECTORS. PROOF OF PUBLICATION SHALL BE FILED WITH THE SECRETARY OF STATE WITHIN TEN DAYS AFTER PUBLICATION. IF A CORPORATION FAILS TO COMPLY WITH THIS SUBDIVISION, IT SHALL FORFEIT \$50 TO THE STATE.)

Sec. 3. Minnesota Statutes 1982, section 62G.08, subdivision 2, is amended to read:

Subd. 2. The existence of a legal service plan corporation hereafter organized shall begin upon issuance of a certificate of incorporation by the secretary of state. (WITHIN 14 DAYS AFTER ISSUANCE OF THE CERTIFICATE, THE LEGAL SERVICE PLAN CORPORATION SHALL CAUSE TO BE PUBLISHED IN A QUALIFIED NEWSPAPER IN THE COUNTY IN WHICH IT HAS ITS REGISTERED OFFICE, A NOTICE STATING THE NAME OF THE LEGAL SERVICE CORPORATION, THE DATE OF INCORPORATION, THE GENERAL NATURE OF ITS BUSINESS, THE ADDRESS OF ITS REGISTERED OFFICE, AND THE NAMES AND ADDRESSES OF THE INCORPORATORS AND DIRECTORS.)

Sec. 4. Minnesota Statutes 1982, section 66A.08, subdivision 4, is amended to read:

Subd. 4. [EMPLOYERS' LIABILITY AND WORKERS' COMPENSATION.] (1) [ORGANIZATION.] (a) [SUBSCRIBERS AND ARTICLES OF INCORPORATION.] Twenty or more persons may form an incorporated mutual employers' liability insurance association for the purpose of insuring themselves and such other persons, firms, or corporations as may become subscribers to the association against liability for compensation payable under the terms of the workers' compensation law and for the purpose of insuring against loss or damage by the sickness, bodily injury, or death by accident of any person employed by the insured or for whose injury or death the insured is responsible.

They shall subscribe and acknowledge a certificate specifying:

(aa) The name, general nature of its business, and the principal place of transacting the same; (such name shall dis-

tinguish it from all other corporations, domestic or foreign, authorized to do business in this state and end with "company," "corporation," "association," or the word "incorporated");

- (bb) The period of its duration;
- (cc) The names and places of residence of the incorporators;
- (dd) In what board its management shall be vested and the names and addresses of those composing the board until the first election, a majority of whom shall always be residents of the state;
- (ee) The highest amount of indebtedness or liability to which the corporation shall at any time be subject; and
- (ff) The territory within which the association may do business.

It may contain any other lawful provisions defining and regulating the powers or business of the corporation, its officers, directors, trustees, and members.

The certificate of incorporation of every such corporation shall be submitted to the commissioner for his approval and, if he approves the same, one copy thereof shall be filed with the secretary of state and one copy with the commissioner. (AFTER THIS RECORD THE CERTIFICATE SHALL BE FILED FOR RECORD WITH THE COUNTY RECORDER OF THE COUNTY OF THE PRINCIPAL PLACE OF BUSINESS, AS SPECIFIED IN THE CERTIFICATE.)

(CORPORATIONS MAY BE FORMED UNDER THIS SUBDIVISION FOR NOT TO EXCEED 30 YEARS IN THE FIRST INSTANCE.)

(b) [BYLAWS AND SEAL.] Such association shall have the power to make bylaws for the government of its officers and the conduct of its affairs, to alter and amend the same, and to adopt a common seal.

(c) [ANNUAL MEETING; VOTING RIGHTS.] The annual meeting for the election of directors shall be held at such time in the month of January as the bylaws of the association may direct. Of the time and place of the meeting at least 30 days previous written or printed notice shall be given to the subscribers, or the notice may be given by publication, not less than three times, in at least two daily or weekly newspapers published in the city or county wherein the association has its principal office and in the legal periodical, if any, designated by the rules of court of the proper county for the publication of legal notices. Subscribers who, during the preceding calendar year, have paid into the

treasury of the association premiums amounting to more than one-half of the total premiums received by it during that year, shall constitute a quorum. At this annual meeting the subscribers shall elect, by ballot, from their own number, not less than five directors, a majority of whom shall be residents of this state, to serve for at least one year and until their successors are duly chosen. The association may provide in its bylaws for the division of its board of directors into two, three, or four classes, and for the election thereof at its annual meetings in such manner that the members of one class only shall retire and their successors be chosen each year. Vacancies may be filled by election by the board until the next annual meeting. In the choice of directors and in all meetings of the association, each subscriber shall be entitled to one vote for every \$100, or any fraction thereof, paid by him in premiums into the treasury of the association during the preceding calendar year. Subscribers may vote by proxy and the record of all votes shall be made by the secretary and show whether the same were cast in person or by proxy and shall be evidence of all these elections. Not less than three directors shall constitute a quorum. The directors shall annually choose by ballot a president, who shall be a member of the board; a secretary; a treasurer, who may be either the president or secretary; and such other officers as the bylaws may provide; and fix the salaries of the president and the secretary, as well as the salaries or compensation of such other officers and agents as the bylaws prescribe. Vacancies in any office may be filled by the directors or by the subscribers, as the bylaws shall prescribe.

(2) [REQUIREMENTS.] (a) [NUMBER OF RISKS TO QUALIFY.] These associations shall not begin to issue policies until a list of subscribers with the number of employees of each which, in the aggregate, must number not less than 5,000, together with such other information as the commissioner may require, shall have been filed at the insurance department, nor until the president and secretary of the association shall have certified under oath that every subscription in the list so filed is genuine and made with an agreement of all the subscribers that they will take the policies subscribed for within 30 days of the granting of a license by the commissioner. In case of associations organized exclusively for the purpose of insuring creameries, cheese factories, and livestock shipping associations, these associations may begin to issue policies when the number of employees insured aggregates 300.

Upon the filing of the certificate provided for in this section, the commissioner shall make such investigations as he may deem proper and, if his findings warrant it, grant a license to the association to issue policies.

(b) [NUMBER OF RISKS REQUIRED TO CONTINUE IN BUSINESS.] If at any time the number of subscribers falls below 20, or the number of subscribers' employees within the state falls below 5,000, no further policies shall be issued until

the total number of subscribers amounts to not less than 20, whose employees within the state are not less than 5,000. In case of associations organized for the purpose of insuring creameries, cheese factories, and livestock shipping associations, the number of subscribers must not fall below 200, nor the number of subscribers' employees within the state below 300.

(3) [ADDITIONAL POWERS.] (a) [MAY WRITE AUTOMOBILE INSURANCE.] Any such company authorized to write workers' compensation or liability insurance under this subdivision, when its articles of incorporation so provide, shall be permitted to insure against loss or damage to automobiles or other vehicles and their contents by collision, fire, burglary, or theft, and other perils of operation, and against liability for damage to persons or property of others by collision with such vehicles, and to insure against any loss or hazard incident to the ownership, operation, or use of motor or other vehicles, as specified in section 60A.06, subdivision 1, clause (12).

(b) [MAY WRITE GLASS INSURANCE.] Any company authorized to write workers' compensation or liability insurance under this subdivision when its articles of incorporation so provide shall be permitted to insure against loss or damage by breakage of glass located or in transit.

(c) [SPECIAL POWERS.] Any company organized under this subdivision which, for 15 years prior to the passage of Laws 1935, Chapter 136, has exclusively insured creameries, cheese factories, and livestock shipping associations, and which has assets of \$100,000 or more, may write public liability and compensation insurance coverage of creameries, cheese factories, shipping associations, farmers' elevators, cooperatively owned warehouses, cooperative filling stations, cooperative oil companies and all cooperatively owned or organized enterprises.

(4) [INTERNAL OPERATION.] (a) [POLICIES.] Policies of insurance issued by any such association may be made either with or without the seal thereof and they shall be signed by the president, or such other officers as may be designated by the directors for that purpose, and attested by the secretary.

(b) [CLASSIFICATION OF RISKS.] The board of directors may divide the subscribers into groups in accordance with the nature of their business and the probable risk of injury therein. In such case they shall fix all premiums, make all assessments, and determine and pay all dividends by and for each group in accordance with the experience thereof, but all funds of the association and the contingent liability of all subscribers shall be available for the payment of any claim against the association; provided, that (as between the association and its subscribers) until the whole of the contingent liability of the members of any group shall be exhausted, the general funds of the association and the contingent liability of the members of

other groups shall not be available for the payment of losses and expenses incurred by such group in excess of the earned premiums paid by the members thereof.

(c) [CLASSIFICATION TO BE FILED.] A statement of any proposed distribution of subscribers into groups shall be filed with the insurance department.

(d) [RATES.] The board of directors shall determine the amount of premiums which the subscribers of the association shall pay for their insurance in accordance with the nature of the business in which the subscribers are engaged and the probable risk of injury to their employees under existing conditions, and it shall fix premiums at such amounts as in its judgment shall be sufficient to enable the association to pay to its subscribers all sums which may become due and payable to their employees under provisions of law and the expenses of conducting the business of the association. In fixing the premium payable by any subscriber, the board of directors may take into account the condition of the plant, workroom, shop, farm, or premises of the subscriber in respect to the safety of those employed therein as shown by the report of any inspector appointed by the board and it may from time to time change the amount of premiums payable by any of the subscribers as circumstances may require and the condition of the plant, workroom, shop, farm, or premises of the subscribers in respect to the safety of their employees may justify and may increase the premiums of any subscriber neglecting to provide safety devices required by law, or disobeying the rules or regulations made by the board of directors in accordance with the provisions of clause (4) (g) of this subdivision.

(e) [PREMIUMS; CONTINGENT LIABILITY.] Every such company shall charge and collect on each policy a premium equal to one year's premium on the policy issued and state in the policy the estimated annual premium and provide in its bylaws for the determination of the actual premium and for the payment of same when determined. The premium thus determined shall be known as the annual premium on the policy. The company shall provide in its bylaws and specify in its policies the maximum contingent mutual liability of its members for the payment of losses and expenses not provided for by its cash fund. The contingent liability of a member shall not be less than a sum equal and in addition to one annual premium, nor more than a sum equal to five times the amount of the annual premium or, in case of a policy written for less than one year, the contingent liability shall not be less than the proportionate fractional part of the annual premium, nor more than five times the proportionate fractional part of the annual premium. The contingent liability of the policyholder shall be plainly and legibly stated in each policy as follows: "The maximum contingent liability of the policyholder under this policy shall be a sum equal to annual premium (or premiums)."

(f) [ASSESSMENTS.] When the liabilities, including unearned premiums and such other reserves as are or may be required by law and the commissioner, are in excess of the admitted assets computed on the basis allowed for its annual statement, it shall make an assessment upon its policyholders based upon the amount of one annual premium as written in the policy and not to exceed the amount of five annual premiums.

If it becomes necessary to levy the assessment, as provided by this section, no policies shall be issued until the admitted assets of the association are in excess of its liabilities.

(g) [POWER OF BOARD OF DIRECTORS.] The board of directors shall be entitled to inspect the plant, workroom, shop, farm, or premises of any subscriber and for this purpose to appoint inspectors, who shall have free access to all such premises during regular working hours, and the board of directors shall likewise from time to time be entitled to examine by their auditor or other agent the books, records, and payrolls of any subscribers for the purpose of determining the amount of premium chargeable to the subscriber.

The board of directors shall make reasonable rules and regulations for the prevention of injuries upon the premises of subscribers; and may refuse to insure, or may terminate the insurance of, any subscriber who refuses to permit these examinations and disregards such rules or regulations, and forfeit all premiums previously paid by him, but the termination of the insurance of any subscriber shall not release him from liability for the payment of assessments then or thereafter made by the board of directors to make up deficiencies existing at the termination of his insurance.

(h) [INVESTMENTS.] The association shall invest and keep invested all its funds of every description, excepting such cash as may be required in the transaction of its business, in accordance with the laws of this state or relating to the investment of funds of domestic insurance companies.

No such association shall purchase, hold, or convey real estate except as provided by section 60A.11, subdivision 6.

(i) [WITHDRAWAL OF SUBSCRIBER.] Any subscriber of the association who has complied with all its rules and regulations may withdraw therefrom by written notice to that effect sent by the subscriber by certified mail to the association and this withdrawal shall become effective on the first day of the month immediately following the tenth day after the receipt of the notice, but the withdrawal shall not release the subscriber from liability for the payment of assessments thereafter made by the board of directors to make up deficiencies existing at the date of his withdrawal and the subscriber shall be entitled to his share of any dividends earned at the date of his withdrawal.

(5) [MISCELLANEOUS.] (a) (PERJURY BY OFFICER.) If any officer of the association shall falsely make oath to any certificate required to be filed with the commissioner, he shall be guilty of perjury.

(b) [FOREIGN MUTUAL EMPLOYERS' LIABILITY ASSOCIATION.] Any mutual employers' liability insurance association of another state, upon compliance with all laws governing such corporations in general and the provisions of this subdivision may be admitted to transact business in this state. These associations shall pay to the department of insurance the fees prescribed by section 60A.14, subdivision 1.

(c) [WINDING UP AFFAIRS.] When the contracts of insurance issued by these associations shall cover in the aggregate less than 5,000 employees or, in the case of associations organized for the purpose of insuring creameries, cheese factories, and livestock shipping associations, less than 300 employees, the association shall forthwith notify the commissioner of that fact and if, at the expiration of six months from the notice, the aggregate number of employees covered by the contracts of insurance shall be less than 5,000, or, in the case of associations organized for the purpose of insuring creameries, cheese factories, and livestock shipping associations, less than 300 employees, the commissioner shall proceed under the provisions of chapter 60B.

Sec. 5. Minnesota Statutes 1982, section 72A.43, subdivision 1, is amended to read:

Subdivision 1. Any act of entering into a contract of insurance or annuity as an insurer or transacting insurance business in this state as set forth in subdivision 2 of section 72A.41, by an unauthorized company is equivalent to and shall constitute an appointment by such company of the (SECRETARY OF STATE) *commissioner of commerce* and his successor or successors in office to be its true and lawful attorney upon whom may be served all lawful process in any action or proceeding against it, arising out of a violation of section 72A.41, and any of such acts shall be a signification of its agreement that any such process against it which is so served shall be of the same legal force and validity as personal service of process in this state upon such company.

Sec. 6. Minnesota Statutes 1982, section 72A.43, subdivision 2, is amended to read:

Subd. 2. Service of such process shall be made by delivering and leaving with the (SECRETARY OF STATE) *commissioner* two copies thereof and the payment to the (SECRETARY OF STATE) *commissioner* of (THE) a \$15 filing fee (PRESCRIBED BY LAW). The (SECRETARY OF STATE) *commissioner* shall forthwith mail by certified mail one of the copies

of such process to such company at its last known (PRINCIPAL PLACE OF BUSINESS) *registered office*, and shall keep a record of all process so served upon him. (SUCH PROCESS SHALL BE SUFFICIENT SERVICE UPON SUCH COMPANY PROVIDED NOTICE OF SUCH SERVICE AND A COPY OF THE PROCESS ARE, WITHIN TEN DAYS THEREAFTER, SENT BY CERTIFIED MAIL BY OR ON BEHALF OF THE COMMISSIONER TO SUCH COMPANY AT ITS LAST KNOWN PRINCIPAL PLACE OF BUSINESS, AND SUCH) *The company's receipt, or receipt issued by the post office with which the letter is certified, and an affidavit of compliance herewith by or on behalf of the commissioner, (ARE) shall be filed with the clerk of the court in which such action or proceeding is pending on or before the return date of such process or within such further time as the court may allow.*

Sec. 7. Minnesota Statutes 1982, section 121.212, subdivision 3, is amended to read:

Subd. 3. Before the adoption of any rule authorized by subdivision 1, the board shall hold a public hearing. Notice of the hearing shall be published at least once in a legal newspaper in the county in which the property affected by the rule, regulation, or ordinance is located. Publication shall be no more than 45 days and no less than 15 days prior to the date of the hearing.

After a public hearing, a majority of the members of the board must approve a rule, regulation, or ordinance before it is effective. A copy of the adopted rule, regulation, or ordinance shall be signed by the superintendent of the district or joint district and filed with the (SECRETARY OF STATE) *county recorder of each county in which the rule, regulation, or ordinance was adopted, together with proof of publication. Upon filing, the rule, regulation, or ordinance shall be in full force and effect.*

Sec. 8. Minnesota Statutes 1982, section 169.966, subdivision 7, is amended to read:

Subd. 7. The state university board shall fix a date for a public hearing on the adoption of any such proposed rule, regulation, or ordinance. Notice of such hearing shall be published in a legal newspaper in the county in which the property affected by the rule, regulation, or ordinance is located. The publication shall be at least 15 days and not more than 45 days before the date of the hearing.

If, after the public hearing, the proposed rule, regulation, or ordinance shall be adopted by a majority of the members of the board, the same shall be considered to have been enacted by the board. A copy of the same shall be signed by the president and filed with the (SECRETARY OF STATE) *county recorder of each county where the rule, regulation, or ordinance shall be in*

effect, together with proof of publication. Upon such filing, the rule, regulation, or ordinance, as the case may be, shall thenceforth be in full force and effect.

Sec. 9. Minnesota Statutes 1982, section 272.483, is amended to read:

272.483 [DUTIES OF FILING OFFICER.]

(a) If a notice of federal lien, a refiling of a notice of federal lien, or a notice of revocation of any certificate described in clause (b) is presented to a filing officer who is:

(1) the secretary of state, he shall cause the notice to be marked, held, and indexed in accordance with the provisions of section 336.9-403, clause (4) of the uniform commercial code as if the notice were a financing statement within the meaning of that code; or

(2) any other officer described in section 272.481, he shall endorse thereon his identification and the date and time of receipt and forthwith file it alphabetically or enter it in an alphabetical index showing the name and address of the person named in the notice, the date and time of receipt, the file number of the lien, and the total amount appearing on the notice of lien.

(b) If a certificate of release, non-attachment, discharge, or subordination of any lien is presented to the secretary of state for filing he shall:

(1) cause a certificate of release or non-attachment to be marked, held, and indexed as if the certificate were a termination statement within the meaning of the uniform commercial code, but the notice of lien to which the certificate relates may not be removed from the files; and

(2) cause a certificate of discharge or subordination to be marked, held, and indexed as if the certificate were a release of collateral within the meaning of the uniform commercial code.

(c) If a refiled notice of federal lien referred to in clause (a) or any of the certificates or notices referred to in clause (b) is presented for filing to any other filing officer specified in section 272.481, he shall permanently attach the refiled notice or the certificate to the original notice of lien and enter the refiled notice or the certificate with the date of filing in any alphabetical lien index on the line where the original notice of lien is entered.

(d) Upon request of any person, the filing officer shall issue his certificate showing whether there is on file, on the date and

hour stated therein, any notice of lien or certificate or notice affecting any lien filed on or after July 1, 1971, naming a particular person, and if a notice or certificate is on file, giving the date and hour of filing of each notice or certificate. The fee for a certificate is (\$1 FOR EACH NAME APPEARING ON THE CERTIFICATE WITH A MINIMUM FEE OF \$2) \$5 per name appearing on the search request, if on the standard form prescribed by the secretary of state, and otherwise, \$10 for the first name and \$5 for each name in excess of one. Upon request, the filing officer shall furnish a copy of any notice of federal lien, or notice or certificate affecting a federal lien, for a fee of 50 cents per page.

Sec. 10. Minnesota Statutes 1982, section 297.04, subdivision 3, is amended to read:

Subd. 3. [NON-RESIDENT.] A person without this state who ships or transports cigarettes to retailers in this state, to be sold by those retailers, may make application for license as a distributor, be granted such a license by the commissioner, and thereafter be subject to all the provisions of sections 297.01 to 297.13 and entitled to act as a licensed distributor, provided he files proof with his application that he has appointed the secretary of state for service of process relating to any matter of issue arising under sections 297.01 to 297.13. (A FOREIGN CORPORATION APPLYING FOR A DISTRIBUTOR'S LICENSE NEED NOT QUALIFY AS SUCH IF IT FILES THE PROOF OF APPOINTMENT OF THE SECRETARY OF STATE FOR SERVICE OF PROCESS AS PROVIDED IN THIS SUBDIVISION.)

Sec. 11. Minnesota Statutes 1983 Supplement, section 300.083, subdivision 6, is amended to read:

Subd. 6. [DETERMINATION OF ELIGIBILITY.] (a) All determinations whether indemnification of a person is required because the criteria set forth in subdivision 2 have been satisfied and whether a person is entitled to payment or reimbursement of expenses in advance of the final disposition of a proceeding as provided in subdivision 3 shall be made:

(1) By the board by a majority of a quorum. Directors who are at the time parties to the proceeding shall not be counted for determining either a majority or the presence of a quorum;

(2) If a quorum under clause (1) cannot be obtained, by a majority of a committee of the board, consisting solely of two or more directors not at the time parties to the proceeding, duly designated to act in the matter by a majority of the full board including directors who are parties;

(3) If a determination is not made under clause (1) or (2), by special legal counsel, selected either by a majority of the

board or a committee by vote pursuant to clause (1) or (2) or, if the requisite quorum of the full board cannot be obtained and the committee cannot be established, by a majority of the full board including directors who are parties;

(4) If a determination is not made under clauses (1) to (3), by the shareholders, excluding the votes of shares held by parties to the proceeding; or

(5) If an adverse determination is made under clauses (1) to (4) or under paragraph (b), or if no determination is made under clauses (1) to (4) or under paragraph (b) within 60 days after the termination of a proceeding or after a request for an advance of expenses, as the case may be, by a court in this state, which may be the same court in which the proceeding involving the person's liability took place, upon application of the person and any notice the court requires.

(b) With respect to a person who is not, and was not at the time of the acts or omissions complained of in the proceedings, a director, officer, or person possessing, directly or indirectly, the power to direct or cause the direction of the management or policies of the corporation, the determination whether indemnification of this person is required because the criteria set forth in subdivision 2 have been satisfied and whether this person is entitled to payment or reimbursement of expenses in advance of the final disposition of a proceeding as provided in subdivision 3 may be made by an annually appointed committee of the board, having at least one member who is a director. The committee shall report at least annually to the board concerning its actions.

Sec. 12. Minnesota Statutes 1982, section 302A.111, subdivision 2, is amended to read:

Subd. 2. [STATUTORY PROVISIONS THAT MAY BE MODIFIED ONLY IN ARTICLES.] The following provisions govern a corporation unless modified in the articles:

(a) A corporation has general business purposes (section 302A.101);

(b) A corporation has perpetual existence and certain powers (section 302A.161);

(c) The power to adopt, amend, or repeal the bylaws is vested in the board (section 302A.181);

(d) A corporation must allow cumulative voting for directors (section 302A.215);

(e) The affirmative vote of a majority of directors present is required for an action of the board (section 302A.237);

(f) A written action by the board taken without a meeting must be signed by all directors (section 302A.239);

(g) The board may authorize the issuance of securities and rights to purchase securities (section 302A.401, subdivision 1);

(h) All shares are common shares entitled to vote and are of one class and one series (section 302A.401, subdivision 2, clauses (a) and (b));

(i) All shares have equal rights and preferences in all matters not otherwise provided for by the board (section 302A.401, subdivision 2, clause (b));

(j) The par value of shares is fixed at one cent per share for certain purposes and may be fixed by the board for certain other purposes (section 302A.401, subdivision 2, clause (c));

(k) The board or the shareholders may issue shares for any consideration or for no consideration to effectuate share dividends or splits, and determine the value of nonmonetary consideration (section 302A.405, subdivision 1);

(l) Shares of a class or series must not be issued to holders of shares of another class or series to effectuate share dividends or splits, unless authorized by a majority of the voting power of the shares of the same class or series as the shares to be issued (section 302A.405, subdivision 1);

(m) A corporation may issue rights to purchase securities whose terms, provisions, and conditions are fixed by the board (section 302A.409);

(n) A shareholder has certain preemptive rights, unless otherwise provided by the board (section 302A.413);

(o) The affirmative vote of the holders of a majority of the voting power of the shares present and entitled to vote at a duly held meeting is required for an action of the shareholders, except where this chapter requires the affirmative vote of a majority of the voting power of all shares entitled to vote (section 302A.437, subdivision 1);

(p) Shares of a corporation acquired by the corporation may be reissued (section 302A.553, subdivision 1);

(q) An exchange need not be approved by shareholders of the acquiring corporation unless the outstanding shares entitled to vote of that corporation will be increased by more than 20 percent immediately after the exchange (section 302A.613, subdivision 3, clause (c)); (AND)

(r) An exchange need not be approved by shareholders of the acquiring corporation unless the outstanding participating shares of that corporation will be increased by more than 20 percent immediately after the exchange (section 302A.613, subdivision 3, clause (d)); and

(s) *Each share has one vote unless otherwise provided in the terms of the share (section 302A.445, subdivision 3).*

Sec. 13. Minnesota Statutes 1982, section 302A.111, subdivision 3, is amended to read:

Subd. 3. [STATUTORY PROVISIONS THAT MAY BE MODIFIED EITHER IN ARTICLES OR IN BYLAWS.] The following provisions govern a corporation unless modified either in the articles or in the bylaws:

(a) Directors serve for an indefinite term that expires at the next regular meeting of shareholders (section 302A.207);

(b) The compensation of directors is fixed by the board (section 302A.211);

(c) A certain method must be used for removal of directors (section 302A.223);

(d) A certain method must be used for filling board vacancies (section 302A.225);

(e) If the board fails to select a place for a board meeting, it must be held at the principal executive office (section 302A.231, subdivision 1);

(f) A director may call a board meeting, and the notice of the meeting need not state the purpose of the meeting (section 302A.231, subdivision 3);

(g) A majority of the board is a quorum for a board meeting (section 302A.235);

(h) A committee shall consist of one or more persons, who need not be directors, appointed by affirmative vote of a majority of the directors present (section 302A.241, subdivision 2);

(i) A majority of a committee is a quorum for a committee meeting, unless otherwise provided by a resolution of the board (section 302A.241, subdivision 3);

(j) The board may establish a committee of disinterested persons (section 302A.243);

(k) The chief executive officer and chief financial officer have specified duties, until the board determines otherwise (section 302A.305);

(l) Officers may delegate some or all of their duties and powers, if not prohibited by the board from doing so (section 302A.351);

(m) The board may establish uncertificated shares (section 302A.417, subdivision 7);

(n) Regular meetings of shareholders need not be held, unless demanded by a shareholder under certain conditions (section 302A.431);

(o) Not less than 10-days nor more than 60-days notice is required for a meeting of shareholders (section 302A.435, subdivision 2);

(p) The number of shares required for a quorum at a shareholders' meeting is a majority of the voting power of the shares entitled to vote at the meeting (section 302A.443);

(q) The board may fix a date up to 60 days before the date of a shareholders' meeting as the date for the determination of the holders of shares entitled to notice of and entitled to vote at the meeting (section 302A.445, subdivision 1);

(r) (EACH SHARE HAS ONE VOTE UNLESS OTHERWISE PROVIDED IN THE TERMS OF THE SHARE (SECTION 302A.445, SUBDIVISION 3); AND)

((S)) Indemnification of certain persons is required (section 302A.521); and

((T)) (s) The board may authorize, and the corporation may make, distributions not prohibited, limited, or restricted by an agreement (section 302A.551, subdivision 1).

Sec. 14. Minnesota Statutes 1982, section 302A.115, subdivision 1, is amended to read:

Subdivision 1. [REQUIREMENTS; PROHIBITIONS.]
The corporate name:

(a) Shall be in the English language or in any other language expressed in English letters or characters;

(b) Shall contain the word "corporation", "incorporated", or "limited", or shall contain an abbreviation of one or more of these words, or the word "company" or the abbreviation "Co."

if that word or abbreviation is not immediately preceded by the word "and" or the character "&" ;

(c) Shall not contain a word or phrase that indicates or implies that it is incorporated for a purpose other than one or more business purposes for which a corporation may be incorporated under this chapter ;

(d) Shall not be the same as, or deceptively similar to, the name of a domestic corporation or *limited partnership*, or a foreign corporation or *limited partnership* authorized or registered to do business in this state, or a name the right to which is, at the time of incorporation, reserved or *provided for* in (THE MANNER PROVIDED IN SECTION) sections 302A.117 (OR IN SECTIONS), 322A.03, or 333.001 to 333.54, unless there is filed with the articles one of the following :

(1) The written consent of the domestic corporation or *limited partnership* or foreign corporation or *limited partnership* authorized or registered to do business in this state or the holder of a reserved name or a name filed by or registered with the secretary of state under sections 333.001 to 333.54 having the same or a deceptively similar name (OR THE HOLDER OF A RESERVE NAME TO USE THE SAME OR DECEPTIVELY SIMILAR NAME) ;

(2) A certified copy of a final decree of a court in this state establishing the prior right of the applicant to the use of the name in this state ; or

(3) The applicant's affidavit that the corporation or *limited partnership* with the same or deceptively similar name has been incorporated or on file in this state for at least three years prior to the affidavit, if it is a domestic corporation or *limited partnership*, or has been authorized or registered to do business in this state for at least three years prior to the affidavit, if it is a foreign corporation or *limited partnership*, or that the holder of a name filed or registered with the secretary of state under sections 333.001 to 333.54 filed or registered that name at least three years prior to the affidavit, and has not during the three year period filed any document with the secretary of state ; that the applicant has mailed written notice to the corporation or *limited partnership* or the holder of a name filed or registered with the secretary of state under sections 333.001 to 333.54 by certified mail, return receipt requested, properly addressed to the registered office of the corporation or *in care of the agent of the limited partnership*, or the address of the holder of a name filed or registered with the secretary of state under sections 333.001 to 333.54, shown in the records of the secretary of state, that the applicant intends to use the same or deceptively similar name and the notice has been returned to the applicant as undeliverable to the addressee corporation or *limited partnership*

or holder of a name filed or registered with the secretary of state under sections 333.001 to 333.54; that the applicant, after diligent inquiry, has been unable to find any telephone listing for the corporation *or limited partnership* with the same or deceptively similar name in the county in which is located the registered office of the corporation shown in the records of the secretary of state or has been unable to find any telephone listing for the holder of a name filed or registered with the secretary of state under sections 333.001 to 333.54 in the county in which is located the address of the holder shown in the records of the secretary of state; and that the applicant has no knowledge that the corporation *or limited partnership* or holder of a name filed or registered with the secretary of state under sections 333.001 to 333.54 is currently engaged in business in this state.

Sec. 15. Minnesota Statutes 1982, section 302A.131, is amended to read:

302A.131 [AMENDMENT OF ARTICLES.]

The articles of a corporation may be amended at any time to include or modify any provision that is required or permitted to appear in the articles or to omit any provision not required to be included in the articles, except that when articles are amended to restate them, the name and address of each incorporator may be omitted. Unless otherwise provided in this chapter, the articles may be amended or modified only in accordance with sections 302A.133 to 302A.139. *An amendment which merely restates the then-existing articles of incorporation, as amended, is not an amendment for the purposes of sections 302A.215, subdivision 2, or 302A.413, subdivision 9.*

Sec. 16. Minnesota Statutes 1982, section 302A.445, subdivision 3, is amended to read:

Subd. 3. [ONE VOTE PER SHARE.] Unless otherwise provided in the articles (OR BYLAWS) or in the terms of the shares, a shareholder has one vote for each share held.

Sec. 17. Minnesota Statutes 1983 Supplement, section 302A.521, subdivision 6, is amended to read:

Subd. 6. [DETERMINATION OF ELIGIBILITY.] (a) All determinations whether indemnification of a person is required because the criteria set forth in subdivision 2 have been satisfied and whether a person is entitled to payment or reimbursement of expenses in advance of the final disposition of a proceeding as provided in subdivision 3 shall be made:

(1) By the board by a majority of a quorum. Directors who are at the time parties to the proceeding shall not be counted for determining either a majority or the presence of a quorum;

(2) If a quorum under clause (1) cannot be obtained, by a majority of a committee of the board, consisting solely of two or more directors not at the time parties to the proceeding, duly designated to act in the matter by a majority of the full board including directors who are parties;

(3) If a determination is not made under clause (1) or (2), by special legal counsel, selected either by a majority of the board or a committee by vote pursuant to clause (1) or (2) or, if the requisite quorum of the full board cannot be obtained and the committee cannot be established, by a majority of the full board including directors who are parties;

(4) If a determination is not made under clauses (1) to (3), by the shareholders, excluding the votes of shares held by parties to the proceeding; or

(5) If an adverse determination is made under clauses (1) to (4) or under paragraph (b), or if no determination is made under clauses (1) to (4) or under paragraph (b) within 60 days after the termination of a proceeding or after a request for an advance of expenses, as the case may be, by a court in this state, which may be the same court in which the proceeding involving the person's liability took place, upon application of the person and any notice the court requires.

(b) With respect to a person who is not, and was not at the time of the acts or omissions complained of in the proceedings, a director, officer, or person possessing, directly or indirectly, the power to direct or cause the direction of the management or policies of the corporation, the determination whether indemnification of this person is required because the criteria set forth in subdivision 2 have been satisfied and whether this person is entitled to payment or reimbursement of expenses in advance of the final disposition of a proceeding as provided in subdivision 3 may be made by an annually appointed committee of the board, having at least one member who is a director. The committee shall report at least annually to the board concerning its actions.

Sec. 18. Minnesota Statutes 1982, section 302A.729, subdivision 1, is amended to read:

Subdivision 1. [PROCEDURE.] If the corporation gives proper notice to creditors and claimants pursuant to section 302A.727:

(a) The claim of a creditor or claimant to whom notice is given who fails to file a claim according to the procedures set forth by the corporation on or before the date set forth in the notice is subject to the provisions of section 302A.781;

(b) The corporation has 30 days from the receipt of each claim to accept or reject the claim by giving written notice to

the person submitting it; a claim not expressly rejected in this manner is deemed accepted; and

(c) A creditor or claimant to whom notice is given and whose claim is rejected by the corporation has 60 days from the date of rejection, or 180 days from the date the corporation filed with the secretary of state the notice of intent to dissolve, or 90 days after the date on which notice was given to the creditor or claimant, whichever is longer, to pursue any other remedies with respect to the claim. If the creditor or claimant does not initiate legal, administrative, or arbitration proceedings with respect to the claim during that period, the claim is subject to the provisions of section 302A.781.

Sec. 19. Minnesota Statutes 1982, section 302A.729, subdivision 2, is amended to read:

Subd. 2. [STATUTE OF LIMITATIONS.] The claim of a creditor or claimant to whom notice is not given *and for whom payment of any debt is not made or provided for* and who does not initiate legal, administrative, or arbitration proceedings concerning the claim within two years after the date of filing the notice of intent to dissolve is thereafter subject to the provisions of 302A.781.

Sec. 20. Minnesota Statutes 1982, section 302A.733, subdivision 2, is amended to read:

Subd. 2. [CONTENTS OF ARTICLES.] The articles of dissolution shall state:

(a) Whether notice has been given to all creditors and claimants of the corporation in the manner provided in section 103, and, if notice has been given, the last date on which the notice was given and the date on which the longer of the periods described in section 302A.729, subdivision 1, clause (c) expired;
or

(b) *If notice was not given* that all debts, obligations, and liabilities of the corporation have been paid and discharged or that adequate provisions have been made therefor; *and*

(c) That the remaining property, assets, and claims of the corporation have been distributed among its shareholders in accordance with section 302A.551, subdivision 4, or that adequate provision has been made for that distribution; and

(d) That there are no pending legal, administrative, or arbitration proceedings by or against the corporation, or that adequate provision has been made for the satisfaction of any judgment, order, or decree that may be entered against it in a pending proceeding, and that all other claims are barred under section 302A.781.

Sec. 21. Minnesota Statutes 1982, section 303.06, subdivision 1, is amended to read:

Subdivision 1. [CONTENTS.] In order to procure a certificate of authority to transact business in this state, a foreign corporation shall make application therefor to the secretary of state, which application shall set forth:

(1) The name of the corporation and the state or country under the laws of which it is organized;

(2) If the name of the corporation does not (END WITH THE WORD "CORPORATION" OR THE WORD "INCORPORATED," OR THE ABBREVIATION "INC.," OR DOES NOT CONTAIN THE WORD "COMPANY" OR THE ABBREVIATION "CO." NOT IMMEDIATELY PRECEDED BY THE WORD "AND" OR THE CHARACTER "&," AND SUCH WORDS OR ABBREVIATIONS ARE REQUIRED BY) *comply with* section 303.05 (TO BE INCLUDED IN OR ADDED TO THE NAME OF THE CORPORATION), then the name (OF THE CORPORATION WITH THE WORD OR ABBREVIATION) which it agrees to (ADD THERETO FOR) use in this state;

(3) The date of its incorporation and the period of its duration;

(4) The address of its principal office in the state or country under the laws of which it is organized;

(5) The address of its proposed registered office in this state and the name of its proposed registered agent in this state;

(6) That it irrevocably consents to the service of process upon it as set forth in section 303.13, or any amendment thereto;

(7) The names and respective addresses of its directors and officers;

(8) A statement of the aggregate number of shares (HAVING PAR VALUE AND OF SHARES WITHOUT PAR VALUE) which it shall have authority to issue, itemized by classes and series;

(9) A statement of the aggregate number of its issued or allotted shares (HAVING PAR VALUE AND OF SHARES WITHOUT PAR VALUE,) itemized by classes and series; and

(10) A statement that the officers executing the application have been duly authorized so to do by the board of directors of the corporation.

Sec. 22. Minnesota Statutes 1982, section 303.13, subdivision 1, is amended to read:

Subdivision 1. [FOREIGN CORPORATION.] A foreign corporation shall be subject to service of process, as follows:

(1) By service (THEREOF) on its registered agent;

(2) When any foreign corporation authorized to transact business in this state fails to appoint or maintain in this state a registered agent upon whom service of process may be had, or whenever any registered agent cannot be found at its registered office in this state, as shown by the return of the sheriff of the county in which the registered office is situated, or by an affidavit of attempted service by any person not a party, or whenever any corporation withdraws from the state, or whenever the certificate of authority of any foreign corporation is revoked or canceled, service may be made by delivering to and leaving with the secretary of state, or with any deputy or clerk in the corporation department of his office, three copies thereof and a fee of \$15; provided, that after a foreign corporation withdraws from the state, pursuant to section 303.16, service upon the corporation may be made pursuant to the provisions of this section only when based upon a liability or obligation of the corporation incurred within this state or arising out of any business done in this state by the corporation prior to the issuance of a certificate of withdrawal.

(3) If a foreign corporation makes a contract with a resident of Minnesota to be performed in whole or in part by either party in Minnesota, or if a foreign corporation commits a tort in whole or in part in Minnesota against a resident of Minnesota, such acts shall be deemed to be doing business in Minnesota by the foreign corporation and shall be deemed equivalent to the appointment by the foreign corporation of the secretary of the state of Minnesota and his successors to be its true and lawful attorney upon whom may be served all lawful process in any actions or proceedings against the foreign corporation arising from or growing out of the contract or tort. Process shall be served in duplicate upon the secretary of state, together with a fee of \$15 and the secretary of state shall mail one copy thereof to the corporation at its last known address, and the corporation shall have (20) 30 days within which to answer from the date of the mailing, notwithstanding any other provision of the law. The making of the contract or the committing of the tort shall be deemed to be the agreement of the foreign corporation that any process against it which is so served upon the secretary of state shall be of the same legal force and effect as if served personally on it within the state of Minnesota.

Sec. 23. Minnesota Statutes 1982, section 303.13, subdivision 3, is amended to read:

Subd. 3. [TIME TO ANSWER.] If any summons is so served upon the secretary of state, the corporation so served shall have 30 days *from the date of mailing by the secretary* in which to answer the complaint.

Sec. 24. Minnesota Statutes 1982, section 303.17, subdivision 3, is amended to read:

Subd. 3. [REVOCATION AFTER 30 DAYS.] The secretary of state shall revoke the certificate of authority of such corporation to do business in this state if such default shall not be cured with such period of 30 days; provided, that for good cause shown the secretary of state may enlarge the period from time to time, but the aggregate of such enlargements shall not exceed (THREE MONTHS) *180 days or the period of any applicable extension granted by the department of revenue of time for filing the income tax return of the corporation, whichever is greater.*

Sec. 25. Minnesota Statutes 1982, section 315.15, is amended to read:

315.15 [PARISH CORPORATIONS, ORGANIZATION.]

The bishop of any religious denomination may associate with him the vicar general of the same diocese and the pastor of such denomination of the parish wherein a corporation is to be located, which shall be within the diocese of such bishop, and the bishop, vicar general, and pastor, or a majority of them, shall designate and associate with them two lay members of any such denomination; and, upon adopting, signing, and acknowledging (, IN DUPLICATE,) a certificate of incorporation reciting the fact of such association, and of the selection of such laymen, and containing the name, general purpose, and place of location of such corporation, and having (ONE SUCH) *the* certificate recorded with the county recorder of the county of its location (AND THE OTHER FILED WITH THE SECRETARY OF STATE), the said five persons and their successors shall become a corporation, subject to all the requirements, and vested with all the rights, powers, and privileges, of a religious corporation. The persons at any time holding the offices hereinbefore specified in any diocese shall, by virtue of their respective offices, be members of and, with the two laymen aforesaid, constitute such corporation, but every such person, on ceasing to hold such office, shall cease to be a member thereof, and his successor in office shall become a member in his place. The two laymen designated as aforesaid shall remain members for the term of two years from the date of the certificate, and thereafter their term of office shall be two years, and in either case until their successors are chosen. They shall always be designated and appointed by the three first named incorporators, who shall also fill all vacancies in their number. Their appointment shall be in writing and entered upon the records of the corporation.

Should there at any time be a vacancy in the office of bishop of any diocese, or should any other person be appointed in his stead to administer the spiritual and temporal affairs of such diocese, then, during such vacancy or suspension of the authority of such bishop, such administrator of the affairs of the diocese, or any other person appointed under the rules of such denomination to preside over and administer its affairs, shall, while acting as such administrator or appointee, be a member of such corporation, with all the rights and powers incident thereto; but his membership shall at once cease when such vacancy has been filled or suspension of authority removed. If any diocese in which any such corporation is located shall be subdivided according to the rules and practice of such denomination, and one or more new dioceses formed therefrom, or from parts thereof, the bishop and vicar general of any such new diocese and their successors in office, as soon as appointed and instituted, shall, by virtue of their respective offices, forthwith become members of any such corporation within such new diocese, with all the rights, duties, privileges, powers, and obligations of such members, and the bishop and vicar general of the diocese in which such corporation was located prior to such subdivision shall cease to be members thereof.

Sec. 26. Minnesota Statutes 1982, section 315.20, subdivision 2, is amended to read:

Subd. 2. [CERTIFICATE, BY WHOM SIGNED.] The certificate shall be signed and duly acknowledged by the bishop of the diocese and by a majority of the members of the chapter, and filed for record in the office of the county recorder of the county in which the cathedral is located (AND IN THE OFFICE OF THE SECRETARY OF STATE).

Sec. 27. Minnesota Statutes 1982, section 315.20, subdivision 3, is amended to read:

Subd. 3. [CERTIFICATE FILED; POWERS.] Upon the signing, acknowledging, and filing of such certificate for record with the county recorder of the county of its location, (AND WITH THE SECRETARY OF STATE,) such cathedral shall become a corporation by the name specified in its certificate: and, by and through its chapter, may transact all the business of such cathedral; and, in its corporate name, may acquire or receive, by purchase, gift, grant, devise, or bequest, any property, real, personal, or mixed, and hold, sell, transfer, mortgage, convey, loan, let, or otherwise use the same for the use and benefit of the cathedral; provided, that such use shall not contravene the laws and usages of the Protestant Episcopal Church in the United States of America of this state; but it shall not have power to divert any gift, grant, or bequest from the purpose specified in writing by the donor or deviser, nor to sell, convey, or mortgage its church or church site, except with the consent of the bishop, in writing, and when first authorized to do so at a meeting of the

chapter called for that purpose, nor in contravention of the canons of the diocese or of the general convention of the Protestant Episcopal Church in the United States of America.

Sec. 28. Minnesota Statutes 1982, section 315.23, subdivision 2, is amended to read:

Subd. 2. [CANON OR RESOLUTION, APPROVAL, RECORDING.] A copy of such resolution or canon, certified by the presiding officer of the body adopting it and verified by the affidavit of its secretary or clerk, with the certificate of the attorney general that the same conforms to law endorsed thereon, shall be filed with the (SECRETARY OF STATE) *county recorder of the county in which the body is located*, who shall record the same at length, including such endorsement, and issue his certificate that, the provisions of the law having been complied with, said body has become duly incorporated according to law. The (SECRETARY OF STATE) *county recorder* shall keep in a book in his office an alphabetical index of all such corporations.

Sec. 29. Minnesota Statutes 1982, section 315.32, is amended to read:

315.32 [TRUSTEES, POWERS; CERTIFICATE, RECORDING.]

The board of trustees, the board of administration, or other governing body of any such religious organization may, by unanimous vote of all its members, so alter or amend such articles of incorporation, when authorized so to do at any special meeting of such religious organization called for such expressly stated purpose, at which such special meeting a majority of the members of such religious organization are present, which authority shall be, by resolution, passed by vote of a majority of the members present and voting at such meeting of such religious organization. The board of trustees, the board of administration, or other governing body of any such religious organization shall cause such resolution to be embraced in a certificate duly executed and acknowledged by its president and secretary, or by its other presiding and recording officers, under the corporate seal of the religious organization, and such certificate shall be presumptive evidence of the facts therein stated. The certificate shall be recorded in the office of the county recorder of the county in which the religious organization is located (AND IN THE OFFICE OF THE SECRETARY OF STATE), and thereupon such alteration or amendment shall become effective.

Sec. 30. Minnesota Statutes 1982, section 315.365, subdivision 2, is amended to read:

Subd. 2. [HOW MERGER EFFECTED.] Any said merger and consolidation shall be effected by the execution by the property corporations who are parties thereto of an agreement of merger and consolidation containing:

(a) The names of the property corporations who are parties thereto.

(b) The name and location of the principal office of the surviving corporation with and into which the property corporations who are parties to said merger are to be merged and consolidated.

(c) The persons who shall constitute the governing board of the surviving corporation until their successors are duly elected and shall qualify.

(d) The general purposes of said surviving corporation and the general description of the area to be served by it.

(e) The date of adoption of the authorization for said merger and consolidation by the meeting of the united, reunited, merged, or consolidated religious body to which said merging or consolidating property corporations pertain.

(f) Any other provisions appropriate for the certificate of incorporation of property corporations of said character which may be formed pursuant to the laws of this state.

(g) Said agreement of merger and consolidation shall be executed by the corporate officers of each of the property corporations which are parties thereto and shall be accompanied by the certificate of the secretary or other recording officer of said united, reunited, merged, or consolidated religious body certifying to the adoption by said religious body, in accordance with its constitution, canon law, or other general provisions for the governance of its affairs, of a resolution authorizing said merger and consolidation, and shall also be accompanied by a certificate of the secretary or other recording officer of each of the property corporations who are parties thereto of the adoption by the members and the board of trustees or other governing body of each said property corporation of resolutions authorizing and directing the execution of said agreement of merger and consolidation.

(h) Said agreement of merger and consolidation, when executed as aforesaid and when certified as aforesaid, shall be filed for record (IN THE OFFICE OF THE SECRETARY OF STATE AND) in the office of the county recorder of the county in which the principal place of business of said surviving corporation is to locate, and shall also be filed for record in the office of the county recorder of each other county of this state

in which the principal place of business of any of the property corporations who are parties to said merger and consolidation shall theretofore, by the provisions of its certificate of incorporation, have been located.

(i) Said merger and consolidation shall be and become effective for all purposes upon filing for record the said agreement of merger and consolidation and the certificates as aforesaid in the office of the (SECRETARY OF STATE) *county recorder*.

Sec. 31. Minnesota Statutes 1982, section 317.09, subdivision 2, is amended to read:

Subd. 2. [USE OF SIMILAR NAME FORBIDDEN.] The corporate name shall not be the same as, nor deceptively similar to, the name of any (OTHER) *assumed name, trade or service mark, or limited partnership, or domestic corporation, whether profit or nonprofit, or of any foreign corporation or foreign limited partnership, whether profit or nonprofit, authorized or registered to do business in this state or to any name reserved under section 302A.117 or 322A.03, unless (:)*

(1) THE DOMESTIC OR FOREIGN CORPORATION IS ABOUT TO CHANGE ITS NAME, OR TO CEASE TO DO BUSINESS, OR IS BEING WOUND UP, OR THE FOREIGN CORPORATION IS ABOUT TO WITHDRAW FROM DOING BUSINESS IN THIS STATE; AND)

(2) THE *there is filed with the articles a written consent, court decree of prior right, or affidavit of non-use of (SUCH DOMESTIC OR FOREIGN CORPORATION TO THE ADOPTION OF ITS NAME, OR OF A DECEPTIVELY SIMILAR NAME, HAS BEEN GIVEN AND IS FILED WITH THE ARTICLES OF INCORPORATION) the kind required by section 302A.115, subdivision 1, paragraph (d).*

The secretary of state shall determine whether a name is "deceptively similar" to another name for purposes of this section. This section does not abrogate or limit the law of unfair competition or unfair practices, nor sections 333.001 to 333.54, nor the laws of the United States with respect to the right to acquire and protect copyrights, trademarks, service names, service marks, or any other rights to the exclusive use of names or symbols, nor derogate the common law or principles of equity.

Sec. 32. Minnesota Statutes 1982, section 318.02, subdivision 1, is amended to read:

Subdivision 1. The term "declaration of trust" as used in this section means the declaration of trust, business trust instrument, trust indenture, contract of custodianship, or other instrument pursuant to which such association is organized.

Every such association organized after April 20, 1961, for the purpose of transacting business in this state shall, prior to transacting any business in this state, file in the office of the secretary of state a true and correct copy of the "declaration of trust" under which the association proposes to conduct its business, which copy shall be sworn to, as being a true and correct copy, by the chairman of the board of trustees of such association, or by one of the trustees of such association, or by one of the persons or parties to the "declaration of trust." The said sworn statement shall also contain a statement that the true and correct copy of the "declaration of trust" is being filed in the office of the secretary of state of the state of Minnesota pursuant to (MINNESOTA STATUTES 1961,) chapter 318, (AND ALL ACTS AMENDATORY THEREOF) and shall also include the full name and street address of an agent of the business trust in this state. That agent shall be the agent for service of process which shall be made pursuant to the provisions of section 543.08. The "declaration of trust" may provide that the duration of such association shall be perpetual. Upon the filing of the copy of the "declaration of trust" and the payment of a filing fee of \$150 to the secretary of state, the secretary of state shall issue to such association, or to the trustees named in the said "declaration of trust," or to the persons or parties to the "declaration of trust," a certificate showing that such "declaration of trust" has been duly filed in his office; whereupon, such association in its name shall be authorized to transact business in this state; provided that all other applicable laws have been complied with. The "declaration of trust" may be amended as provided in the "declaration of trust" or in any amendments thereto but a true and correct copy of all amendments to the "declaration of trust," which copy shall be sworn to in like manner as provided above in filing a true and correct copy of the "declaration of trust," shall be filed in the office of the secretary of state upon the payment of a filing fee of \$50 to the secretary of state and all amendments shall become effective at the time of said filing. When such copy of the "declaration of trust" and any amendments thereto shall have been filed in the office of the secretary of state it shall constitute public notice as to the purposes and manner of the business to be engaged in by such association.

Sec. 33. Minnesota Statutes 1982, section 322A.02, is amended to read:

322A.02. [NAME.]

The name of each limited partnership as set forth in its certificate of limited partnership:

(1) shall contain without abbreviation the words "limited partnership";

(2) may not contain the name of a limited partner unless (i) it is also the name of a general partner or the corporate

name of a corporate general partner, or (ii) the business of the limited partnership had been carried on under that name before the admission of that limited partner;

(3) may not contain any word or phrase indicating or implying that it is organized other than for a purpose stated in its certificate of limited partnership;

(4) may not be the same as, or deceptively similar to, the name of (ANY) a domestic corporation or limited partnership (ORGANIZED UNDER THE LAWS OF THIS STATE) or a foreign corporation or limited partnership authorized (LICENSED) or registered (AS A FOREIGN CORPORATION OR LIMITED PARTNERSHIP) to do business in this state or a name the right to which is reserved or provided for in the manner provided for in sections 302A.117, 322A.03, or 333.001 to 333.54, unless there is filed with the certificate a written consent, court decree of prior right, or affidavit of non-use, of the kind required by section 302A.115, subdivision 1, paragraph (d); and

(5) may not contain the following words: corporation, incorporated.

The secretary of state shall determine whether a name is "deceptively similar" to another name for purposes of this section and section 322A.03. This section does not abrogate or limit the law of unfair competition or unfair practices, nor sections 333.001 to 333.54, nor the laws of the United States with respect to the right to acquire and protect copyrights, trademarks, service names, service marks, or any other rights to the exclusive use of names or symbols, nor derogate the common law or principles of equity.

Sec. 34. Minnesota Statutes 1982, section 322A.86, is amended to read:

322A.86 [RELATIONSHIP TO SECTIONS 322.01 TO 322.31.]

A domestic limited partnership existing on January 1, 1981, shall be governed by sections 322.01 to 322.31 unless (1) the limited partnership elects to come under the provisions of sections 322A.01 to 322A.85, and the certificate of limited partnership is amended to reflect the intention (AND), *the election and a certified copy of all previously filed limited partnership documents is filed with the secretary of state, and the election is filed with the county recorder;* and (2) to so elect is not prohibited by the terms of the certificate of limited partnership in effect prior to January 1, 1981. A domestic limited partnership formed after December 31, 1980 shall be governed by sections 322A.01 to 322A.85.

Sec. 35. Minnesota Statutes 1982, section 325D.67, subdivision 5, is amended to read:

Subd. 5. [DUTY OF (SECRETARY OF STATE) ATTORNEY GENERAL.] If complaint shall be made (TO THE SECRETARY OF STATE) that any corporation authorized to do business in this state is guilty of unfair discrimination, within the terms of subdivisions 1 to 8, it shall be the duty of the (SECRETARY OF STATE TO REFER THE MATTER TO THE) attorney general (, WHO MAY,) *to review the complaint and if the facts justify it in his judgment, institute proceedings in the courts against such corporation.*

Sec. 36. Minnesota Statutes 1982, section 325D.67, subdivision 6, is amended to read:

Subd. 6. [REVOCATION OF PERMIT.] If any corporation, foreign or domestic, authorized to do business in this state, is found guilty of unfair discrimination, within the terms of subdivisions 1 to 8, it shall be the duty of the *attorney general to request the secretary of state to immediately revoke the permit of such corporation to do business in this state.*

Sec. 37. Minnesota Statutes 1982, section 331.02, subdivision 1, is amended to read:

Subdivision 1. [QUALIFICATIONS.] In order to be qualified as a medium of official and legal publication, a newspaper shall:

(1) Be printed in the English language in newspaper format and in column and sheet form equivalent in printed space to at least 1,200 square inches;

(2) If a weekly, be distributed at least once each week for 50 weeks each year, or if a daily, at least five days each week; but in any week in which a legal holiday is included, not more than four issues of a daily paper are necessary;

(3) 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 legal notices; and 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, but 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;

(4) Be circulated in and near the municipality which it purports to serve, and have at least 500 copies regularly delivered.

to paying subscribers and have entry as second-class matter in its local post office, or have at least 500 copies regularly distributed without charge to local residents;

(5) Have its known office of issue established in the county in which lies, in whole or in part, the municipality which the newspaper purports to serve;

(6) File a copy of each issue immediately with the state historical society;

(6a) 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;

(7) Have complied with all the foregoing conditions of this subdivision for at least one year last past;

(8) The newspaper must annually publish (AND SUBMIT TO THE SECRETARY OF STATE) a sworn United States Post Office second-class statement of ownership and circulation or in the absence of a permit must annually publish (AND SUBMIT) a *comparable* statement of ownership and circulation covering a one year period ending not more than three months prior to publication verified by a recognized independent circulation auditing agency;

(9) *The newspaper shall, between October 1 and December 31 of each year, submit to the secretary of state a sworn printers affidavit of publication accompanied by the published statement required by section 331.02, subdivision 1, clause (8), that it has complied with all of the requirements of this subdivision. A newspaper which files the affidavit shall be qualified as a legal newspaper for the calendar year following filing.*

Sec. 38. Minnesota Statutes 1982, section 333.001, subdivision 3, is amended to read:

Subd. 3. [TRUE NAME.] "True name" means the true full name of the natural person, if a proprietorship; the true full name of (AT LEAST ONE) *each* partner, if a partnership; the full corporate name as stated in its articles, if a corporation; the full name of the limited partnership, if a limited partnership; the true full name of at least one trustee, if a trust; or the true full name of at least one beneficial owner, if any other form of business organization.

Sec. 39. Minnesota Statutes 1982, section 333.001, subdivision 4, is amended to read:

Subd. 4. "Address" means the full residential address of each natural person, trustee or beneficial owner, or (ANY) corporation, included in subdivision 3, and the address of the

principal place in Minnesota where the business is conducted or transacted (, IF DIFFERENT).

Sec. 40. Minnesota Statutes 1982, section 333.01, is amended to read:

333.01 [COMMERCIAL ASSUMED NAMES; CERTIFICATE.]

No person shall hereafter carry on or conduct or transact a commercial business in this state under any designation, name, or style, which does not set forth the true name of every person interested in such business unless such person shall file in the office of the secretary of state, a certificate setting forth the name *and business address in Minnesota* under which the business is conducted or transacted, or is to be conducted or transacted, and the true name of (THE) *each* person conducting or transacting the same, with the address of such person. The certificate shall be executed and duly acknowledged by one of the persons conducting, or intending to conduct, the business. The certificate shall be published *after it has been filed with the secretary of state* in a qualified newspaper in the county in which the person has a principal or registered office for two successive issues.

Sec. 41. Minnesota Statutes 1982, section 333.02, is amended to read:

333.02 [FILING OF CERTIFICATE.]

Persons conducting or transacting any business under any designation, name, or style referred to in section 333.01 shall, before commencing such business, file such certificate and (PROOF OF PUBLICATION) *shall publish the certificate* in the manner prescribed in section 333.01.

Sec. 42. Minnesota Statutes 1982, section 333.035, is amended to read:

333.035 [AMENDMENT OF CERTIFICATE.]

Within 60 days after the occurrence of any event which makes any statement in the last previous statement filed incorrect, an amended certificate shall be filed (WITH PROOF OF PUBLICATION) *and the amended certificate shall be published* by the person conducting the business in the same manner as provided by section 333.01.

Sec. 43. Minnesota Statutes 1982, section 333.055, subdivision 1, is amended to read:

Subdivision 1. Filing of a certificate (WITH PROOF OF PUBLICATION) hereunder shall be effective for a term of ten years from the date of filing and upon application filed within

the six month period prior to the expiration of such term or a renewal thereof, on a form prescribed by the secretary of state, the certificate may be renewed for additional ten year terms. A renewal fee as specified herein, payable to the secretary of state, shall accompany the application for renewal.

The secretary of state shall notify each person filing a certificate hereunder of the necessity of renewal thereof by writing to the last known address of the person at least six months prior to the certificate's expiration date.

Sec. 44. Minnesota Statutes 1982, section 333.06, is amended to read:

333.06 [PLEADING FAILURE TO FILE CERTIFICATE; COSTS.]

If any person conducting a business contrary to the terms of sections 333.001 to 333.06 shall, prior to the filing of the certificate (AND PROOF OF PUBLICATION) therein prescribed, commence a civil action, including an action to recover possession of real property in any court of this state on account of any contract made by, or transaction had on behalf of the business, the defendant may plead such failure in abatement of the action; and all proceedings had in the action shall thereupon be stayed until the certificate provided for by sections 333.001 to 333.06 is duly filed, and the defendant, in case he prevails in the action, shall also be entitled to tax \$50 costs, in addition to such other statutory costs as may be allowed by law, and, in case he does not prevail in the action, shall be entitled to deduct \$50 from the judgment otherwise recoverable therein and if a judgment for money is not otherwise recoverable therein, he shall be entitled to tax \$50 costs. *If such a person defends against a civil action, the plaintiff shall be entitled to tax \$50 costs, regardless of which party prevails upon the merits.*

Sec. 45. Minnesota Statutes 1982, section 333.19, subdivision 1, is amended to read:

Subdivision 1. A trademark or service mark by which the goods or services of any applicant for registration may be distinguished from the goods or services of others shall not be registered if it;

(1) consists of or comprises immoral, deceptive or scandalous matter; or

(2) consists of or comprises matter which may disparage or falsely suggest a connection with persons, living or dead, institutions, beliefs, or national symbols, or bring them into contempt, or disrepute; or

(3) consists of or comprises the flag or coat of arms or other insignia of the United States, or of any state or municipality, or of any foreign nation, or any simulation thereof; or

(4) consists of or comprises the name, signature or portrait of any living individual, except with his written consent; or

(5) consists of a mark which, (a) when applied to the goods or used to identify the services of the applicant, is merely descriptive or deceptively misdescriptive of them, or (b) when applied to the goods or used to identify the services of the applicant is primarily geographically descriptive or deceptively misdescriptive of them, or (c) is primarily merely a surname provided, however, that nothing in this subsection (5) shall prevent the registration of a mark used in this state by the applicant which has become distinctive of the applicant's goods or services. The secretary of state may accept as evidence that the mark has become distinctive, as applied to the applicant's goods or used to identify the services, proof of substantially exclusive and continuous use thereof as a mark by the applicant in this state for the five years next preceding the date of the filing of the application for registration; or

(6) consists of or comprises a mark which so resembles a mark registered in this state or a corporate or *limited partnership* name in use or reserved in this state by another, or a mark or trade name previously used in this state by another and not abandoned, as to be likely, when applied to the goods or used to identify the services of the applicant, to cause confusion or mistake or to deceive. *The secretary of state may require affidavits by both the applicant and by the holder of the previously registered name or mark in making this determination.*

Sec. 46. Minnesota Statutes 1982, section 333.21, subdivision 1, is amended to read:

Subdivision 1. Upon a finding by the secretary of state that the mark and application for registration comply with the requirements of sections 333.18 to 333.31, *and that the class indicated, if any, in which the mark is to be registered is not clearly incorrect*, he shall cause a certificate of registration to be issued and delivered to the applicant. The certificate of registration shall be issued under the signature of the secretary of state and the seal of the state, and shall show the registrant's name and business address and, if a corporation, the state of incorporation, the date claimed for the first use of the mark in this state, the class of goods or services and a description of the goods or services in connection with which the mark is used, a reproduction of the mark, the registration date and the term of the registration.

Sec. 47. Minnesota Statutes 1983 Supplement, section 336.9-401, is amended to read:

336.9-401 [PLACE OF FILING; ERRONEOUS FILING; REMOVAL OF COLLATERAL.]

(1) The proper place to file in order to perfect a security interest is as follows:

(a) When the collateral is consumer goods, or motor vehicles which are not (INVENTORY) *covered by a certificate of title*, then in the office of the county recorder in the county of the debtor's residence if the debtor is an individual who is a resident of this state but if the debtor is an individual who is not a resident of this state or is a corporation, partnership or other organization then in the office of the secretary of state;

(b) When the collateral is equipment to be used in farming operations, or farm products, or accounts or general intangibles arising from or relating to the sale of farm products by a farmer, or crops growing or to be grown, then in the office of the county recorder in the county of the debtor's residence if the debtor is an individual or organization with residence in this state, but if the debtor is not a resident of this state, then in the office of the secretary of state;

(c) When the collateral is timber to be cut or is minerals or the like (including oil and gas) or accounts subject to subsection (5) of section 336.9-103, or when the financing statement is filed as a fixture filing (section 336.9-313) and the collateral is goods which are or are to become fixtures, then in the office where a mortgage on the real estate would be filed or recorded;

(d) In all other cases, in the office of the secretary of state.

(2) A filing which is made in good faith in an improper place or not in all of the places required by this section is nevertheless effective with regard to any collateral as to which the filing complied with the requirements of this article and is also effective with regard to collateral covered by the financing statement against any person who has knowledge of the contents of such financing statement.

(3) A filing which is made in the proper place in this state continues effective even though the debtor's residence in this state or the use of the collateral, whichever controlled the original filing, is thereafter changed.

(4) The rules stated in section 336.9-103 determine whether filing is necessary in this state.

(5) Notwithstanding the preceding subsections, the proper place to file in order to perfect a security interest in collateral, including fixtures, of a transmitting utility is the office of the secretary of state. Such a filing shall not be deemed a separate

filing from the filings required by other laws, if applicable, set forth in subsection (3) of section 336.9-302. This filing constitutes a fixture filing (section 336.9-313) as to the collateral described therein which is or is to become fixtures.

(6) For the purposes of this section, the residence of an organization is its place of business if it has one or its chief executive office if it has more than one place of business.

(7) "Motor vehicle" means any device propelled or drawn by any power other than muscular power in, upon, or by which any person or property is or may be transported or drawn upon a highway, excepting building and road construction equipment.

Sec. 48. Minnesota Statutes 1982, section 336.9-402, is amended to read:

336.9-402 [FORMAL REQUISITES OF FINANCING STATEMENT; AMENDMENTS; MORTGAGE AS FINANCING STATEMENT.]

(1) A financing statement is sufficient if it gives the name of the debtor and the secured party, is signed by the debtor, gives an address of the secured party from which information concerning the security interest may be obtained, gives a mailing address of the debtor and contains a statement indicating the types or describing the items, of collateral. A financing statement may be filed before a security agreement is made or a security interest otherwise attaches. When the financing statement covers crops growing or to be grown, the statement must also contain a description of the real estate concerned and the name of the record owner thereof. When the financing statement covers timber to be cut or covers minerals or the like (including oil and gas) or accounts subject to subsection (5) of section 336.9-103, or when the financing statement is filed as a fixture filing (section 336.9-313) and the collateral is goods which are or are to become fixtures, the statement must also comply with subsection (5). A copy of the security agreement is sufficient as a financing statement if it contains the above information and is signed by the debtor. A carbon, photographic or other reproduction of a security agreement or a financing statement is sufficient as a financing statement if the security agreement so provides or if the original has been filed in this state.

(2) A financing statement which otherwise complies with subsection (1) is sufficient when it is signed by the secured party instead of the debtor when it is filed to perfect a security interest in

(a) collateral already subject to a security interest in another jurisdiction when it is brought into this state, or when the debtor's location is changed to this state. Such a financing state-

ment must state that the collateral was brought into this state or that the debtor's location was changed to this state under such circumstances; or

(b) proceeds under section 336.9-306 if the security interest in the original collateral was perfected. Such a financing statement must describe the original collateral; or

(c) collateral as to which the filing has lapsed *within one year*; or

(d) collateral acquired after a change of name, identity or corporate structure of the debtor (subsection (7)); or

(e) *a personal service lien including but not limited to veterinarian, mechanic, attorney, male service animal, and processing farm products*; or

(f) *collateral which is subject to a filed judgment.*

(2a) *The reason for the omission of the debtor signature must be stated on the front of the financing statement.*

(3) A form substantially as follows is sufficient to comply with subsection (1):

Name of debtor (or assignor)

.....

Address

.....

Name of secured party (or assignee)

.....

Address

.....

1. This financing statement covers the following types (or items) of property:

(Describe)

.....

2. (If collateral is crops) The above described crops are growing or are to be grown on:

(Describe real estate and the name of the record owner thereof)

3. (If applicable) The above goods are to become fixtures on

(Describe real estate) and this financing statement is to be filed for record in the real estate records. (If the debtor does not have an interest of record) The name of a record owner is

4. (If products of collateral are claimed)

Products of the collateral are also covered.

Use whichever signature line is applicable.

Signature of debtor (or assignor)
.....

Signature of secured party (or assignee)
.....

(4) A financing statement may be amended by filing a writing signed by both the debtor and the secured party. *If the sole purpose of the amendment is to change the name or address of the secured party, only the secured party need sign the amendment. A writing is sufficient if it sets forth the name and address of the debtor and secured party as those items appear on the original financing statement or the most recently filed amendment, the file number and date of filing of the financing statement.* An amendment does not extend the period of effectiveness of a financing statement. If any amendment adds collateral, it is effective as to the added collateral only from the filing date of the amendment. In this article, unless the context otherwise requires, the term "financing statement" means the original financing statement and any amendments.

(5) A financing statement covering timber to be cut or covering minerals or the like (including oil and gas) or accounts subject to subsection (5) of section 336.9-103, or a financing statement filed as a fixture filing (section 336.9-313) where the debtor is not a transmitting utility, must show that it covers

this type of collateral, must recite that it is to be filed for record in the real estate records, and the financing statement must contain a description of the real estate sufficient if it were contained in a mortgage of the real estate to give constructive notice of the mortgage under the law of this state. If the debtor does not have an interest of record in the real estate, the financing statement must show the name of a record owner. No description of the real estate or the name of the record owner thereof is required for a fixture filing where the debtor is a transmitting utility. Notwithstanding the foregoing a general description of the real estate is sufficient for a fixture filing where a railroad is the record owner of the real estate on which the fixtures are or are to be located; and for the purposes of this subsection, the requirement of a general description is satisfied if the fixture filing (1) identifies the section, township and range numbers of the county in which the land is located; (2) identifies the quarter-quarter of the section that the land is located in; (3) indicates the name of the record owner of the real estate; and (4) states the street address of the real estate if one exists.

(6) A mortgage is effective as a financing statement filed as a fixture filing from the date of its recording if (a) the goods are described in the mortgage by item or type, (b) the goods are or are to become fixtures related to the real estate described in the mortgage, (c) the mortgage complies with the requirements for a financing statement in this section other than a recital that it is to be filed in the real estate records, and (d) the mortgage is duly recorded. No fee with reference to the financing statement is required other than the regular recording and satisfaction fees with respect to the mortgage.

(7) A financing statement sufficiently shows the name of the debtor if it gives the individual, partnership or corporate name of the debtor, whether or not it adds other trade names or the names of partners. Where the debtor so changes his name or in the case of an organization its name, identity or corporate structure that a filed financing statement becomes seriously misleading, the filing is not effective to perfect a security interest in collateral acquired by the debtor more than four months after the change, unless a new appropriate financing statement is filed before the expiration of that time. A filed financing statement remains effective with respect to collateral transferred by the debtor even though the secured party knows of or consents to the transfer.

(8) A financing statement substantially complying with the requirements of this section is effective even though it contains minor errors which are not seriously misleading.

Sec. 49. Minnesota Statutes 1982, section 336.9-403, is amended to read:

336.9-403 [WHAT CONSTITUTES FILING; DURATION OF FILING; EFFECT OF LAPSED FILING; DUTIES OF FILING OFFICER.]

(1) Presentation for filing of a financing statement and tender of the filing fee or acceptance of the statement by the filing officer constitutes filing under this article.

(2) Except as provided in subsection (6) a filed financing statement is effective for a period of five years from the date of filing. The effectiveness of a filed financing statement lapses on the expiration of the five year period unless a continuation statement is filed prior to the lapse. If a security interest perfected by filing exists at the time insolvency proceedings are commenced by or against the debtor, the security interest remains perfected until termination of the insolvency proceedings and thereafter for a period of 60 days or until expiration of the five year period, whichever occurs later regardless of whether the financing statement filed as to that security interest is destroyed by the filing officer pursuant to subsection (3). Upon lapse the security interest becomes unperfected, unless it is perfected without filing. If the security interest becomes unperfected upon lapse, it is deemed to have been unperfected as against a person who became a purchaser or lien creditor before lapse.

(3) A continuation statement may be filed by the secured party within six months prior to the expiration of the five year period specified in subsection (2). Any such continuation statement must be signed by the secured party, *set forth the name and address of the debtor and secured party as those items appear on the original financing statement or the most recently filed amendment*, identify the original statement by file number *and filing date*, and state that the original statement is still effective. A continuation statement signed by a person other than the secured party of record must be accompanied by a separate written statement of assignment signed by the secured party of record and complying with subsection (2) of section 336.9-405, including payment of the required fee. Upon timely filing of the continuation statement, the effectiveness of the original statement is continued for five years after the last date to which the filing was effective whereupon it lapses in the same manner as provided in subsection (2) unless another continuation statement is filed prior to such lapse. Succeeding continuation statements may be filed in the same manner to continue the effectiveness of the original statement. Unless a statute on disposition of public records provides otherwise, the filing officer may remove a lapsed statement from the files and destroy it immediately if he has retained a microfilm or other photographic record, or in other cases after one year after the lapse. The filing officer shall so arrange matters by physical annexation of financing statements to continuation statements or other related filings, or by other means, that if he physically destroys the financing

statements of a period more than five years past, those which have been continued by a continuation statement or which are still effective under subsection (6) shall be retained. If insolvency proceedings are commenced by or against the debtor, the secured party shall notify the filing officer both upon commencement and termination of the proceedings, and the filing officer shall not destroy any financing statements filed with respect to the debtor until termination of the insolvency proceedings. The security interest remains perfected until termination of the insolvency proceedings and thereafter for a period of 60 days or until expiration of the five year period, whichever occurs later.

(4) Except as provided in subsection (7) a filing officer shall mark each statement with a file number and with the date and hour of filing and shall hold the statement or a microfilm or other photographic copy thereof for public inspection. In addition the filing officer shall index the statements according to the name of the debtor and shall note in the index the file number and the address of the debtor given in the statement.

(5) The secretary of state shall prescribe uniform forms for statements and samples thereof shall be furnished to all filing officers in the state. The uniform fee for filing and indexing and for stamping a copy furnished by the secured party to show the date and place of filing for an original financing statement or for a continuation statement shall be \$5 if the statement is in the standard form prescribed by the secretary of state and otherwise shall be \$10, plus in each case, if the financing statement is subject to subsection (5) of section 336.9-402, \$5. An additional fee of \$5 shall be collected if more than one name is required to be indexed or if the secured party, at his option, shows a trade name for any debtor listed. There shall be no fee collected for the filing of an amendment to a financing statement if the amendment is in the standard form prescribed by the secretary of state and (OTHERWISE IT SHALL BE \$5) *does not add additional debtor names to the financing statement. The fee for an amendment adding additional debtor names shall be \$5 if the amendment is in the form prescribed by the secretary of state and, if otherwise, \$10. The fee for an amendment which is not in the form prescribed by the secretary of state but which does not add additional names shall be \$5.*

(6) If the debtor is a transmitting utility (subsection (5) of section 336.9-401) and a filed financing statement so states, it is effective until a termination statement is filed. A real estate mortgage which is effective as a fixture filing under subsection (6) of section 336.9-402 remains effective as a fixture filing until the mortgage is released or satisfied of record or its effectiveness otherwise terminates as to the real estate.

(7) When a financing statement covers timber to be cut or covers minerals or the like (including oil and gas) or accounts subject to subsection (5) of section 336.9-103, or is filed as a

fixture filing, it shall be filed for record and the filing officer shall index it under the names of the debtor and any owner of record shown on the financing statement in the same fashion as if they were the mortgagors in a mortgage of the real estate described, and, to the extent that the law of this state provides for indexing of mortgages under the name of the mortgagee, under the name of the secured party as if he were the mortgagee thereunder, or, for filing offices other than the secretary of state, where indexing is by description in the same fashion as if the financing statement were a mortgage of the real estate described. If requested of the filing officer on the financing statement, a financing statement filed for record as a fixture filing in the same office where nonfixture filings are made is effective, without a dual filing, as to collateral listed thereon for which filing is required in such office pursuant to section 336.9-401 (1) (a); in such case, the filing officer shall also index the recorded statement in accordance with subsection (4) using the recording data in lieu of a file number.

(8) The fees provided for in this article shall supersede the fees for similar services otherwise provided for by law except in the case of security interests filed in connection with a certificate of title on a motor vehicle.

Sec. 50. Minnesota Statutes 1982, section 336.9-404, is amended to read:

336.9-404. [TERMINATION STATEMENT.]

(1) If a financing statement covering consumer goods is filed on or after January 1, 1977, then within one month or within ten days following written demand by the debtor after there is no outstanding secured obligation and no commitment to make advances, incur obligations or otherwise give value, the secured party must file with each filing officer with whom the financing statement was filed, a termination statement to the effect that he no longer claims a security interest under the financing statement (**WHICH SHALL BE IDENTIFIED BY FILE NUMBER**). *The termination statement must set forth the name and address of the debtor and secured party as those items appear on the original financing statement or the most recently filed amendment; identify the original financing statement by file number and filing date; and be signed by the secured party.* In other cases whenever there is no outstanding secured obligation and no commitment to make advances, incur obligations, or otherwise give value, the secured party must on written demand by the debtor send the debtor, for each filing officer with whom the financing statement was filed, a termination statement to the effect that he no longer claims a security interest under the financing statement, which shall be identified by file number. A termination statement signed by a person other than the secured party of record must be accompanied by a separate written statement of assignment signed

by the secured party of record and complying with subsection (2) of section 336.9-405, including payment of the required fee. If the affected secured party fails to file such a termination statement as required by this subsection, or to send such a termination statement within ten days after proper demand therefor he shall be liable to the debtor for \$100, and in addition for any loss caused to the debtor by such failure.

(2) On presentation to the filing officer of such a termination statement he must note it in the index. If he has received the termination statement in duplicate, he shall return one copy of the termination statement to the secured party stamped to show the time of receipt thereof. If the filing officer has a microfilm or other photographic record of the financing statement, and of any related continuation statement, statement of assignment and statement of release, he may remove the originals from the files at any time after receipt of the termination statement, or if he has no such record, he may remove them from the files at any time after one year after receipt of the termination statement.

(3) There shall be no fee collected for the filing of a termination if the termination statement is in the standard form prescribed by the secretary of state and otherwise shall be \$5, plus in each case, if the original financing statement was subject to subsection (5) of section 336.9-402, the fee prescribed by section 357.18, subdivision 1, clause (1).

Sec. 51. Minnesota Statutes 1982, section 336.9-405, is amended to read:

336.9-405. [ASSIGNMENT OF SECURITY INTEREST; DUTIES OF FILING OFFICER; FEES.]

(1) A financing statement may disclose an assignment of a security interest in the collateral described in the financing statement by indication in the financing statement of the name and address of the assignee or by an assignment itself or a copy thereof on the face (OR BACK) of the statement. On presentation to the filing officer of such a financing statement the filing officer shall mark the same as provided in section 336.9-403(4). The uniform fee for filing, indexing, and furnishing filing data for a financing statement so indicating an assignment shall be the same as the fee prescribed in section 336.9-403, clause (5).

(2) A secured party (MAY ASSIGN) of record *may assign* all or a part of his rights under a financing statement by the filing in the place where the original financing statement was filed of a separate written statement of assignment signed by the secured party of record (AND), setting forth the name *and address* of the secured party of record and the debtor *as those items appear on the original financing statement or the most recently filed amendment, identifying* the file number and the

date of filing of the financing statement, (AND THE) *giving the name and address of the assignee and containing a description of the collateral assigned. A copy of the assignment is sufficient as a separate statement if it complies with the preceding sentence. On presentation to the filing officer of such a separate statement, the filing officer shall mark such separate statement with the date and hour of the filing. He shall note the assignment on the index of the financing statement, or in the case of a fixture filing, or a filing covering timber to be cut, or covering minerals or the like (including oil and gas) or accounts subject to subsection (5) of section 336.9-103, he shall index the assignment under the name of the assignor as grantor and, to the extent that the law of this state provides for indexing the assignment of a mortgage under the name of the assignee, he shall index the assignment of the financing statement under the name of the assignee. The uniform fee for filing, indexing, and furnishing filing data about such a separate statement of assignment shall be \$5 if the statement is in the standard form prescribed by the secretary of state and otherwise shall be \$10, plus in each case, if the original financing statement was subject to subsection (5) of section 336.9-402, the fee prescribed by section 357.18, subdivision 1, clause (1). An additional fee of \$5 shall be charged if there is more than one name against which the statement of assignment is required to be indexed. Notwithstanding the provisions of this subsection, an assignment of record of a security interest in a fixture contained in a mortgage effective as a fixture filing (subsection (6) of section 336.9-402) may be made only by an assignment of the mortgage in the manner provided by the law of this state other than Laws 1976, chapter 135.*

(3) After the disclosure or filing of an assignment under this section, the assignee is the secured party of record.

Sec. 52. Minnesota Statutes 1982, section 336.9-406, is amended to read:

336.9-406 [RELEASE OF COLLATERAL; DUTIES OF FILING OFFICER; FEES.]

A secured party of record may by his signed statement release all or a part of any collateral described in a filed financing statement. The statement of release is sufficient if it contains a description of the collateral being released, the name and address of the debtor (, THE NAME) and (ADDRESS OF THE) secured party *as those items appear on the original financing statement or the most recently filed amendment, and (THE FILE NUMBER OF) identifies the original financing statement by file number and filing date.* A statement of release signed by a person other than the secured party of record must be accompanied by a separate written statement of assignment signed by the secured party of record and complying with subsection (2) of section 336.9-405, including payment of the required fee. Upon presenta-

tion of such a statement of release to the filing officer he shall mark the statement with the hour and date of filing and shall note the same upon the margin of the index of the filing of the financing statement. There shall be no fee for filing and noting such a statement of release if the statement is in the standard form prescribed by the secretary of state and otherwise shall be \$5, plus in each case, if the original financing statement was subject to subsection (5) of section 336.9-402, the fee prescribed by section 357.18, subdivision 1, clause (1).

Sec. 53. 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. *Each resolution shall include all of the provisions required by section 317.08, subdivision 2.*

Sec. 54. Minnesota Statutes 1982, section 365.46, is amended to read:

365.46 [COPY OF RESOLUTION FILED WITH SECRETARY OF STATE.]

A certified copy of the resolution of the county board declaring such town to be dissolved shall forthwith be forwarded by the county auditor to the secretary of state, who shall, on receipt thereof, make appropriate entry in the records of his office of the dissolution of such town. *The county auditor shall also provide notice of the dissolution to the state demographer, the land management information center, the Minnesota municipal board, and the commissioner of transportation.*

Sec. 55. Minnesota Statutes 1982, section 379.05, is amended to read:

379.05 [RECORD OF DESCRIPTION OF TOWN, WHERE KEPT; ABSTRACT SENT TO (COMMISSIONER OF REVENUE) STATE AGENCIES.]

Each county auditor shall within 30 days after any such town is organized transmit by mail to the commissioner of revenue, the secretary of state, the state demographer, the land management

information center, the Minnesota municipal board, and the commissioner of transportation an abstract of such report, giving the name and boundaries of such town and record in a book kept for that purpose a full description of each such town.

Sec. 56. Minnesota Statutes 1983 Supplement, section 507.09, is amended to read:

507.09 [FORMS APPROVED; AMENDMENTS.]

The several forms of deeds, mortgages, land contracts, assignments, satisfactions, and other conveyancing instruments prepared by the uniform conveyancing blanks commission and filed by the commission with the secretary of state pursuant to Laws 1929, chapter 135, as amended by Laws 1931, chapter 34, are approved and recommended for use in the state. Such forms shall be kept on file with and be preserved by the (SECRETARY OF STATE) *commissioner of commerce* as a public record. The commissioner of securities and real estate may appoint an advisory task force on uniform conveyancing forms to recommend to the commissioner of securities and real estate amendments to existing forms or the adoption of new forms. The task force shall expire, and the terms, compensation, and removal of members shall be as provided in section 15.059. The commissioner of securities and real estate may adopt amended or new forms consistent with the laws of this state by rule in accordance with chapter 14.

Sec. 57. Minnesota Statutes 1982, section 507.10, is amended to read:

507.10 [CERTIFIED COPIES OF FORMS TO BE PRESERVED.]

The board of county commissioners of each county in this state shall provide the county recorder and the judge of probate of the county with one copy of each form so approved, a copy of sections 507.09 to 507.14, a copy of the certificate of the Minnesota uniform conveyancing blanks commission contained in the book of forms filed in the office of the (SECRETARY OF STATE) *commissioner of commerce*, and a copy of his filing certificate, to be certified as herein provided. Upon presentation to him of sufficient number of true copies of such forms, laws, and certificates in book form to carry out this provision, the (SECRETARY OF STATE) *commissioner of commerce* shall, without charge, certify the same to be true copies thereof. Each county recorder and each judge of probate shall thereafter preserve one such certified copy on file in their respective offices for the convenient use of the public.

Sec. 58. Minnesota Statutes 1982, section 540.152, is amended to read:

540.152 [SERVICE OF PROCESS ON UNIONS, GROUPS OR ASSOCIATIONS.]

The transaction of any acts, business or activities within the state of Minnesota by any officer, agent, representative, employee or member of any union or other groups or associations having officers, agents, members or property without the state on behalf of the union or other groups or associations or any of its members or affiliated local unions shall be deemed an appointment by the union or other groups or associations of the secretary of state of the state of Minnesota to be the true and lawful attorney of the union or other groups or associations, upon whom may be served all legal processes or notices in any action or proceeding against or involving the union or other groups or associations growing out of any acts, business or activities within the state of Minnesota resulting in damage or loss to person or property or giving rise to any cause of action under the laws of the state of Minnesota or to any matters or proceedings arising under the Minnesota Labor Relations Act. Such acts, business or activities shall be a signification of the agreement of the union or other groups or associations and its members that any process or notice in any action, matter or proceeding against or involving it, which is so served, shall be of the same legal force and validity as if served upon the union or other groups or associations and its members personally. Service of process or notice shall be made by filing a copy thereof in the office of the secretary of state, together with payment of a fee of \$15 and together with an affidavit *stating* that no officer or managing agent of the union or other group or association has been found in this state *and setting forth an address to which the service shall be forwarded*. The service shall be sufficient service upon the union or other groups or associations and its members. Notice of service and a copy of the process or notice shall, within ten days thereafter, be sent by mail by the person who caused it to be served on the union or other groups or associations at its last known address and an affidavit of compliance with the provisions of this chapter shall be filed with the court or other state agency or department before which the action, matter, or proceeding is pending.

Sec. 59. Minnesota Statutes 1982, section 543.08, is amended to read:

543.08 [SUMMONS, SERVICE UPON CERTAIN CORPORATIONS.]

If a private domestic corporation has no officer *at the registered office of the corporation* within the state upon whom service can be made, of which fact the return of the sheriff of *the county in which that office is located, or the affidavit of a private person not a party*, that none can be found in (HIS) *that county* shall be conclusive evidence, service of the summons upon it may be made by depositing two copies, together with a fee of \$15 with the secretary of state, which shall be deemed

personal service upon the corporation. One of the copies shall be filed by the secretary, and the other forthwith mailed by him to the corporation by certified mail, if the place of its main office is known to him or is disclosed by the files of his office.

If the defendant is a foreign insurance corporation, the summons may be served by two copies delivered to the insurance commissioner, who shall file one in his office and forthwith mail the other postage prepaid to the defendant at its home office.

Sec. 60. Minnesota Statutes 1983 Supplement, section 648.39, subdivision 1, is amended to read:

Subdivision 1. [FREE DISTRIBUTION.] The revisor of statutes shall without charge distribute each edition of Minnesota Statutes, supplement to the Minnesota Statutes, and the Laws of Minnesota to the persons, officers, departments, agencies, or commissions listed in this subdivision. Prior to distribution of Minnesota Statutes, supplement to the Minnesota Statutes, or the Laws of Minnesota, the revisor of statutes shall inquire whether the full number of copies authorized by this subdivision are required for their work. Unless a smaller number is needed, each edition shall be distributed without charge as follows:

- (a) 30 copies to the supreme court;
- (b) 30 copies to the court of appeals;
- (c) 1 copy to each judge of a district court;
- (d) 1 copy to the clerk of each district court for use in each courtroom of the district court of his county;
- (e) 100 copies to the state law library;
- (f) 100 copies to the law school of the University of Minnesota;
- (g) 100 copies to the office of the attorney general;
- (h) 10 copies each to the governor's office, the departments of agriculture, commerce, corrections, education, health, transportation, labor and industry, economic security, natural resources, public safety, public service, public welfare, and revenue, and the pollution control agency;
- (i) 1 copy each to other state departments, agencies, boards, and commissions not specifically named in this subdivision;
- (j) 1 copy to each member of the legislature;

(k) 100 copies for the use of the senate and 150 copies for the use of the house of representatives;

(l) 4 copies to the secretary of the senate;

(m) 4 copies to the chief clerk of the house of representatives;

(n) 1 copy to each judge, district attorney, clerk of court of the United States and the deputy clerk of each division of the United States district court in this state, the secretary of state of the United States, the library of congress, and the Minnesota historical society;

(o) 20 copies each to the department of administration, state auditor, and legislative auditor, and 5 copies to the office of the secretary of state;

(p) 1 copy to each county library maintained pursuant to chapter 134, except in counties containing cities of the first class. If a county has not established a county library pursuant to chapter 134, the copy shall be provided to any public library in the county; and

(q) 50 copies to the revisor of statutes.

Sec. 61. Laws 1981, chapter 270, section 144, is amended to read:

Sec. 144. [EFFECTIVE DATES.]

Sections 1 to 121, 123, 124, 126, 129 to 138, 140, 141, and 143 are effective July 1, 1981. Sections 125, 127, 128, 139, and 142 are effective January 1, 1984. Section 122 is effective January 1, (1985) 1987.

Sec. 62. [REPEALER.]

Minnesota Statutes 1982, sections 5.11; 51A.03, subdivision 5; 62C.06, subdivision 4; 308.15, subdivision 3; and 507.31, subdivision 2, are repealed.

Sec. 63. [EFFECTIVE DATE.]

Sections 1 to 62 are effective July 1, 1984."

Delete the title and insert:

"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; provid-

ing 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 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 motion prevailed and the amendment was adopted.

Ellingson moved to amend S. F. No. 2016, as amended, as follows:

Delete sections 2 and 3

Page 16, after line 12, insert:

"Sec. 10. Minnesota Statutes 1982, section 302A.031, is amended to read:

302A.031 [TRANSITION.]

Subdivision 1. [CONTINUATION OF LEGAL ACTS.] The continuation or completion of any act by a corporation that has not incorporated under, but has become governed by, this chapter, and the continuation or performance of any executed or wholly or partially executory contract, conveyance, or transfer to or by the corporation, shall, if otherwise lawful before the corporation became governed by this chapter, remain valid, and

may be continued, completed, consummated, enforced, or terminated as required or permitted by a statute applicable prior to the date on which the corporation became governed by this chapter.

Subd. 2. [TRANSITION OF PREEMPTIVE RIGHTS.] For purposes of denial of preemptive rights under section 302A.413, subdivision 1, the articles of a corporation formed under chapter 301 shall be construed to deny completely preemptive rights for all shares, rights to purchase shares, securities other than shares or rights to purchase securities other than shares, if those articles deny shareholders the preemptive right to purchase or subscribe to shares."

Page 39, line 1, after "address" delete "in Minnesota"

Page 44, line 3, before the period insert "and vehicles that are inventory of licensed dealers"

Page 45, delete lines 12 to 14 and insert "(e) a lien filed pursuant to Minnesota Statutes, chapter 514; or"

Page 45, line 16, delete "The" and insert "Except for documents filed under clauses (e) and (f), the"

Page 48, line 5, after "statement" insert ", amendment, continuation, assignment, release, or termination"

Page 53, line 20, after "may" delete "assign" and insert "record an assignment of"

Delete section 63

Renumber the sections accordingly

Amend the title as follows:

Page 1, line 17, after the semicolon insert "providing for the transition of preemptive rights;"

Page 1, line 18, delete everything after the first semicolon

Page 1, line 19, delete "62G.08, subdivision 2;"

Page 1, line 21, after "subdivision 3;" insert "302A.031;"

The motion prevailed and the amendment was adopted.

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; 315.20, 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 third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 122 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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
Bergstrom	Graba	Long	Quist	Swanson
Bishop	Greenfield	Ludeman	Redalen	Thiede
Blatz	Gruenes	Mann	Reif	Tunheim
Boo	Gustafson	Marsh	Rice	Uphus
Brandl	Gutknecht	McDonald	Riveness	Valan
Brinkman	Halberg	McEachern	Rodosevich	Valento
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	Welker
Clawson	Hokr	Nelson, K.	Scheid	Welle
Cohen	Jacobs	Norton	Schoenfeld	Wigley
Coleman	Jennings	O'Connor	Schreiber	Wynia
Dempsey	Jensen	Ogren	Seaberg	Zaffke
DenOuden	Johnson	Olsen	Segal	Speaker Sieben
Dimler	Kalis	Omann	Shaver	
Elioff	Kelly	Onnen	Sherman	
Ellingson	Knickerbocker	Osthoff	Simoneau	

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

H. F. No. 2020 was reported to the House.

There being no objection H. F. No. 2020 was temporarily laid over on Special Orders.

S. F. No. 1864 was reported to the House.

Knuth moved to amend S. F. No. 1864, as follows:

Page 10, line 18, delete "supports" and insert "demonstrates a rational basis for"

Page 11, line 10, after "authority" insert "*except as provided in subdivision 3*"

Page 11, after line 20, insert:

"Subd. 3. Any agency which is authorized to issue bonds to obtain funds for implementation of its programs and which is authorized by other law to adopt temporary rules governing those programs may continue to adopt those rules as emergency rules without regard to the 180-day time limits specified in subdivision 2 or section 29."

Page 11, line 29, after "that" insert "*a free copy of the proposed rule is available on request from the agency and that*"

Page 15, after line 31, insert:

"Sec. 28. [EXTENSION OF TEMPORARY RULE AUTHORITY.]

Notwithstanding sections 16 and 29, the commissioners of health and public welfare may amend the temporary rules authorized by Laws of 1983, chapter 199 and the commissioner of welfare may amend the temporary rules authorized by Laws of 1983, chapter 312 throughout the period these temporary rules remain in effect by following the temporary rule procedure under chapter 14. The temporary rules shall not remain in effect beyond the periods authorized in Laws 1983, chapters 199 and 312."

Page 15, line 32, delete "28" and insert "29"

Page 15, line 33, before "No" insert "*Except as provided in section 14.29, subdivision 3,*"

Page 16, before line 1, insert:

"Sec. 30. [TERMS CONSTRUED.]

All grants of temporary rulemaking authority made prior to or during the 1984 legislative session shall be construed to be grants of emergency rulemaking authority."

Page 16, line 1, delete "29" and insert "31"

Page 16, line 5, delete "*chapter 14*"

Page 16, line 12, delete "30" and insert "32"

Page 16, line 16, delete "31" and insert "33"

Page 16, line 17, after "to" delete "30" and insert "25, and 28 to 32"

Page 16, line 20, after the period insert "*Sections 26 and 27 are effective the day following final enactment.*"

Amend the title as follows:

Page 1, line 3, delete everything after the semi-colon

Page 1, delete lines 4 to 14

Page 1, line 15, delete "supreme court;"

The motion prevailed and the amendment was adopted.

Knuth moved to amend S. F. No. 1864, as amended, as follows:

Page 15, before line 32, insert:

"Sec. 29. Minnesota Statutes 1983 Supplement, section 43A.08, subdivision 1a, is amended to read:

Subd. 1a. [ADDITIONAL UNCLASSIFIED POSITIONS.] Appointing authorities for the following agencies may designate additional unclassified positions according to this subdivision: the departments of administration; agriculture; commerce; corrections; economic security; education; employee relations; energy and economic development; finance; health; human rights; labor and industry; natural resources; *office of administrative hearings*; public safety; public service; public welfare; revenue; transportation; and veterans affairs; the housing finance, state planning, and pollution control agencies; the state board of investment; the offices of the secretary of state, state auditor, and state treasurer; and the state board of vocational technical education.

A position designated by an appointing authority according to this subdivision must meet the following standards and criteria:

(a) the designation of the position would not be contrary to other law relating specifically to that agency;

(b) the person occupying the position would report directly to the agency head or deputy agency head and would be designated as part of the agency head's management team;

(c) the duties of the position would involve significant discretion and substantial involvement in the development, interpretation, and implementation of agency policy;

(d) the duties of the position would not require primarily personnel, accounting, or other technical expertise where continuity in the position would be important;

(e) there would be a need for the person occupying the position to be accountable to, loyal to, and compatible with the governor and the agency head, or the employing constitutional officer;

(f) the position would be at the level of division or bureau director or assistant to the agency head; and

(g) the commissioner has approved the designation as being consistent with the standards and criteria in this subdivision."

Renumber subsequent sections and correct internal cross references

Amend the title as follows:

Page 1, line 2, after the semicolon, insert "providing for unclassified positions;"

Page 1, line 22, after "14.32;" delete "and" and after "14.45;" insert "and 43A.08, subdivision 1a;"

The motion prevailed and the amendment was adopted.

S. F. No. 1864, A bill for an act relating to state government; amending the Administrative Procedure Act; establishing an optional negotiated rulemaking procedure; allowing interested persons to respond after a public hearing; removing a requirement that the attorney general review the hearing examiner's hearing report; providing that rules will be adopted without a public hearing unless 25 persons object; providing for notification that rules were modified after proposal; restricting the adoption of temporary rules; providing that exempt rules are not effective unless submitted to the revisor of statutes; providing that judicial review of rules is by the court of appeals with appeal to the supreme court; amending Minnesota Statutes 1982, sections 14.03, subdivision 2; 14.10; 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; 14.08; 14.12; 14.14, subdivision 1; 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; 14.17; and 14.21.

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

The question was taken on the passage of the bill and the roll was called. There were 112 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Evans	Kostohryz	Pauly	Sparby
Anderson, R.	Findlay	Krueger	Peterson	Stadum
Battaglia	Fjoslien	Kvam	Piepho	Staten
Beard	Forsythe	Levi	Piper	Sviggum
Begich	Frerichs	Long	Price	Swanson
Bennett	Craba	Ludeman	Quist	Thiede
Bergstrom	Greenfield	Mann	Redalen	Tomlinson
Bishop	Gruenes	Marsh	Reif	Tunheim
Blatz	Gustafson	McDonald	Rice	Uphus
Boo	Gutknecht	McEachern	Rodosovich	Valan
Brandl	Halberg	McKasy	Rodriguez, C.	Valento
Brinkman	Haukoos	Metzen	St. Onge	Vanasek
Burger	Heap	Minne	Sarna	Voss
Carlson, D.	Heinitz	Munger	Schafer	Waltman
Carlson, L.	Himle	Murphy	Scheid	Welker
Clark, J.	Hoffman	Nelson, K.	Schoenfeld	Welle
Cark, K.	Hokr	Norton	Schreiber	Wigley
Cohen	Jacobs	O'Connor	Seaberg	Wynia
Dempsey	Jennings	Ogren	Segal	Zaffke
DenOuden	Johnson	Omman	Sherman	Speaker Sieben
Dimler	Kalis	Onnen	Simoneau	
Ellingson	Kelly	Osthoff	Skoglund	
Erickson	Knuth	Otis	Solberg	

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

MESSAGES FROM THE SENATE, Continued

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 2182, A bill for an act relating to agriculture; changing certain duties of the commissioner; changing certain reporting requirements concerning agricultural land ownership; refining procedures and deadlines for investment reimbursement; authorizing the commissioner to use certain funds for short-term loans to help participants meet their family farm security loan obligations; exempting certain corporations and persons from the definition of warehouseman; exempting the family farm security program from certain loan commitment approval requirements; amending Minnesota Statutes 1982, sections 21.118; 29.27; 31.11; 31A.08; 41.56, subdivision 3; 231.01, subdivision 5; 500.221, subdivision 2a; 500.24, subdivision 4; and Minnesota Statutes 1983 Supplement, sections 16A.80, subdivision 2; 32.417; 38.02, subdivisions 1 and 3; and 500.221, subdivision 4.

The Senate has appointed as such committee Messrs. Bertram, Davis, Berg, DeCramer and Merriam.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 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 Senate has appointed as such committee Messrs. Solon, Vega and Olson.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

H. F. No. 2188, A bill for an act relating to Indians; providing for partial settlement of Indian land claims on the White Earth Reservation; appropriating money.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Eken moved that the House concur in the Senate amendments to H. F. No. 2188 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 2188, A bill for an act relating to Indians; providing for partial settlement of Indian land claims on the White Earth Reservation; requiring a report to the legislature; appropriating money.

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

The question was taken on the repassage of the bill and the roll was called. There were 116 yeas and 5 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Findlay	Krueger	Otis	Solberg
Anderson, G.	Fjoslien	Kvam	Pauly	Sparby
Anderson, R.	Forsythe	Levi	Peterson	Stadum
Battaglia	Graba	Long	Piepho	Sviggum
Beard	Gruenes	Ludeman	Piper	Swanson
Begich	Gustafson	Mann	Price	Thiede
Bennett	Gutknecht	Marsh	Quist	Tomlinson
Bergstrom	Halberg	McDonald	Redalen	Tunheim
Bishop	Haukoos	McEachern	Reif	Uphus
Blatz	Heap	McKasy	Rice	Valan
Brinkman	Heinitz	Metzen	Riveness	Valento
Burger	Himle	Minne	Rodosovich	Vanasek
Carlson, D.	Hoffman	Munger	Rodriguez, C.	Voss
Carlson, L.	Hokr	Murphy	Rodriguez, F.	Waltman
Clawson	Jacobs	Nelson, D.	St. Onge	Weich
Cohen	Jennings	Nelson, K.	Sarna	Welker
Coleman	Jensen	Neuenschwander	Schafer	Welle
Dempsey	Johnson	Norton	Schoenfeld	Wigley
Dimler	Kahn	O'Connor	Schreiber	Wynia
Eken	Kalis	Ogren	Seaberg	Speaker Sieben
Elioff	Kelly	Olsen	Segal	
Ellingson	Knickerbocker	Omänn	Sherman	
Erickson	Knuth	Onnen	Simoneau	
Evans	Kostohryz	Osthoff	Skoglund	

Those who voted in the negative were:

Brandl	Clark, J.	Clark, K.	Greenfield	Staten
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The bill was repassed, as amended by the Senate, and its title agreed to.

SPECIAL ORDERS, Continued

S. F. No. 1575, A bill for an act relating to commerce; providing for the computation of interest on mechanics' lien claims; delaying the effective date of a bill carried over from the 1983 to the 1984 regular session; proposing new law coded in Minnesota Statutes, chapter 514.

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

The bill was passed and its title agreed to.

S. F. No. 1628 was reported to the House.

Greenfield moved to amend S. F. No. 1628, as follows:

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, municipalites having highly concentrated residential facility populations, and advocacy groups. For purposes of this subdivision, "highly concen-*

trated" 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.

The motion prevailed and the amendment was adopted.

Elioff moved to amend S. F. No. 1628, as amended, as follows:

Pages 1 and 2, delete sections 1 to 4

Page 3, delete line 11 and insert *"the governing body of each town and municipality in the county,"*

Page 3, line 12, delete *"populations,"*

Pages 4 and 5, delete sections 6 to 8

Page 5, line 29, delete *"Sections 1 to 8 are"* and insert *"Section 1 is"*

Renumber the sections

Amend the title as follows:

Page 1, delete lines 2 to 14 and insert:

"relating to public welfare; requiring certain counties to plan for the dispersal of residential facilities; amending Minnesota Statutes 1982, section 245.812, subdivision 7."

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 72 yeas and 41 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Dimler	Gustafson	Knuth	Neuenschwander
Anderson, R.	Elioff	Gutknecht	Kvam	Omann
Battaglia	Ellingson	Halberg	Levi	Onnen
Begich	Erickson	Haukoos	Ludeman	Pauly
Bennett	Evans	Heap	Mann	Quist
Blatz	Findlay	Heinitz	Marsh	Redalen
Brinkman	Fjoslien	Hokr	McDonald	Reif
Burger	Forsythe	Jennings	McEachern	Rodosovich
Carlson, D.	Frerichs	Johnson	McKasy	Rose
Carlson, L.	Graba	Kalis	Metzen	Sarna
DenOuden	Gruenes	Knickerbocker	Murphy	Schafer

Schoenfeld	Sherman	Swanson	Valan	Welker
Schreiber	Solberg	Thiede	Valento	Welle
Seaberg	Stadum	Uphus	Waltman	Zaffke
Shaver	Swiggum			

Those who voted in the negative were:

Anderson, G.	Eken	Larsen	Price	Tomlinson
Beard	Greenfield	Long	Rice	Vanasek
Brandl	Himle	Munger	Riveness	Vellenga
Clark, J.	Hoffman	Nelson, K.	Rodriguez, C.	Wynia
Clark, K.	Jensen	Norton	Rodriguez, F.	Speaker Sieben
Clawson	Kahn	O'Connor	Simoneau	
Cohen	Kelly	Osthoff	Skoglund	
Coleman	Kostohryz	Otis	Sparby	
Dempsey	Krueger	Piper	Staten	

The motion prevailed and the amendment was adopted.

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 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.	Coleman	Heap	Ludeman	Pauly
Anderson, G.	Dempsey	Heinitz	Mann	Peterson
Anderson, R.	DenOuden	Himle	Marsh	Piper
Battaglia	Dimler	Hoffman	McDonald	Price
Beard	Eken	Hokr	McEachern	Quist
Begich	Elioff	Jacobs	McKasy	Redalen
Bennett	Ellingson	Jennings	Meitzen	Reif
Bergstrom	Erickson	Jensen	Minne	Rice
Bishop	Evans	Johnson	Munger	Riveness
Blatz	Findlay	Kahn	Murphy	Rodosovich
Boo	Fjoslien	Kalis	Nelson, K.	Rodriguez, C.
Brandl	Forsythe	Kelly	Neuenschwander	Rodriguez, F.
Brinkman	Frerichs	Knickerbocker	Norton	Rose
Burger	Graba	Knuth	O'Connor	St. Onge
Carlson, D.	Greenfield	Kostohryz	Ogren	Sarna
Carlson, L.	Gruenes	Krueger	Olsen	Schafer
Clark, J.	Gustafson	Kvam	Omänn	Scheid
Cark, K.	Gutknecht	Larsen	Onnen	Schoenfeld
Clawson	Halberg	Levi	Osthoff	Schreiber
Cohen	Haukoos	Long	Otis	Seaberg

Shaver	Sparby	Thiede	Vanasek	Wynia
Sherman	Stadum	Tomlinson	Vellenga	Zaffke
Simoneau	Staten	Uphus	Waltman	Speaker Sieben
Skoglund	Sviggum	Valan	Welch	
Solberg	Swanson	Valento	Welle	

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

REPORT FROM THE COMMITTEE ON RULES AND
LEGISLATIVE ADMINISTRATION

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

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.

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

The report was adopted.

There being no objection the order of business reverted to Second Reading of Senate Bills.

SECOND READING OF SENATE BILLS

S. F. No. 1843 was read for the second time.

SUSPENSION OF RULES

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, Clawson moved that the rule therein be suspended and an urgency be declared so that S. F. No. 1843 be given its third reading and be placed upon its final passage. The motion prevailed.

Clawson moved that the rules of the House be so far suspended that S. F. No. 1843 be given its third reading and be placed upon its final passage. The motion prevailed.

Clawson moved to amend S. F. No. 1843, the unofficial engrossment, as follows:

Page 6, line 24, delete "August 1, 1977" and insert "June 30, 1985"

Page 9, line 6, delete "No"

Page 9, delete lines 7 to 9

Page 9, line 33, after the period insert: *"The reorganization plan shall be approved by a majority of the judges of the district court and a majority of the judges of the county municipal court."*

Page 9, after line 36, insert:

"The reorganization plan required by this section for the second and fourth judicial districts shall provide for the establishment of four divisions within each of the judicial districts. The chief judge shall appoint a presiding judge for each division. The divisions shall be general civil, general criminal, family and juvenile, and probate. Judges in the second and fourth judicial districts shall be assigned to one of the four divisions. Each assignment shall be for a period of not less than one year. The reorganization plan for the second and fourth judicial districts shall include criteria to be considered in the assignment of judges to particular divisions and in the reassignment of judges to divisions at the end of their initial assignment."

Page 10, line 4, delete *"their"* and insert *"its"*

Page 10, line 4, after *"date"* insert *", and the plan shall be implemented by the district"*

The motion prevailed and the amendment was adopted.

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 third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 113 yeas and 3 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Burger	Evans	Jensen	Marsh
Anderson, G.	Carlson, L.	Frerichs	Kahn	McDonald
Anderson, R.	Clark, J.	Graba	Kelly	McEachern
Battaglia	Clark, K.	Greenfield	Knickerbocker	McKasy
Beard	Clawson	Gruenes	Knuth	Metzen
Begich	Cohen	Gustafson	Kostohryz	Minne
Bennett	Coleman	Haukoos	Krueger	Munger
Bergstrom	Dempsey	Heap	Kvam	Nelson, D.
Bishop	Dimler	Heinitz	Larsen	Nelson, K.
Blatz	Eken	Hoffman	Levi	Neueischwander
Boo	Elioff	Hokr	Long	Norton
Brandl	Ellingson	Jacobs	Ludeman	O'Connor
Brinkman	Erickson	Jennings	Mann	Ogren

Olsen	Quist	Schafer	Sparby	Vanasek
Omann	Redalen	Scheid	Stadum	Vellenga
Onnen	Reif	Schoenfeld	Staten	Waltman
Osthoff	Rice	Seaberg	Sviggum	Welch
Otis	Riveness	Segal	Swanson	Welle
Pauly	Rodosovich	Shaver	Tomlinson	Wigley
Peterson	Rodriguez, C.	Sherman	Tunheim	Wynia
Piepho	Rodriguez, F.	Simoneau	Uphus	Zaffke
Piper	Rose	Skoglund	Valan	
Price	St. Onge	Solberg	Valento	

Those who voted in the negative were:

Findlay Fjoslien Thiede

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

SPECIAL ORDERS, Continued

There being no objection the House advanced to S. F. No. 1560.

S. F. No. 1560 was reported to the House.

Dempsey moved to amend S. F. No. 1560, as follows:

Page 5, line 6, before the period, insert: "*except that if the forfeiture proceeding was prosecuted by a county attorney whose position is not full time as provided in section 388.21, the prosecutor's share of net proceeds shall be forwarded to the county board*".

The motion prevailed and the amendment was adopted.

S. F. No. 1560, 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.

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.	Bishop	Clark, J.	Eken	Forsythe
Anderson, R.	Blatz	Clawson	Elioff	Frerichs
Battaglia	Brandl	Cohen	Ellingson	Graba
Beard	Brinkman	Coleman	Erickson	Greenfield
Begich	Burger	Dempsey	Evans	Gruenes
Bennett	Carlson, D.	DenOuden	Findlay	Gustafson
Bergstrom	Carlson, L.	Dimler	Fjoslien	Gutknecht

Halberg	Kvam	Ogren	Rose	Thiede
Haukoos	Larsen	Olsen	St. Onge	Tomlinson
Heap	Levi	Omamn	Sarna	Tunheim
Heinitz	Long	Onnen	Schafer	Uphus
Himle	Ludeman	Otis	Schoenfeld	Valan
Hoffman	Mann	Pauly	Schreiber	Valento
Hokr	Marsh	Peterson	Seaberg	Vanasek
Jacobs	McDonald	Piepho	Segal	Vellenga
Jennings	McEachern	Piper	Shaver	Waltman
Jensen	McKasy	Price	Sherman	Welch
Johnson	Metzen	Quist	Simoneau	Welker
Kahn	Munger	Redalen	Skoglund	Welle
Kalis	Murphy	Reif	Solberg	Wigley
Kelly	Nelson, D.	Rice	Sparby	Wynia
Knickerbocker	Nelson, K.	Riveness	Stadum	Zaffke
Knuth	Neuenschwander	Rodosovich	Staten	Speaker Sieben
Kostohryz	Norton	Rodriguez, C.	Sviggum	
Krueger	O'Connor	Rodriguez, F.	Swanson	

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

S. F. No. 1007 was reported to the House.

Ellingson moved to amend S. F. No. 1007, as follows:

Page 2, delete lines 3 to 5

The motion prevailed and the amendment was adopted.

S. F. No. 1007, A bill for an act relating to courts; permitting the establishment of compulsory nonbinding arbitration programs for use in civil proceedings; proposing new law coded in Minnesota Statutes, chapter 484.

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

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

Those who voted in the affirmative were:

Anderson, B.	Clark, J.	Frerichs	Johnson	Metzen
Anderson, G.	Clark, K.	Graba	Kalis	Minno
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	Heap	Larsen	O'Connor
Blatz	Elioff	Heinitz	Levi	Ogren
Boo	Ellingson	Himle	Long	Olsen
Brandl	Erickson	Hoffman	Ludeman	Omamn
Brinkman	Evans	Hokr	Mann	Onnen
Burger	Findlay	Jacobs	Marsh	Osthoff
Carlson, D.	Fjoslien	Jennings	McEachern	Otis
Carlson, L.	Forsythe	Jensen	McKasy	Pauly

Peterson	Rodosovich	Seaberg	Stadum	Vallenga
Picpho	Rodriguez, C.	Segal	Staten	Waltman
Piper	Rodriguez, F.	Shaver	Sviggum	Welch
Price	Rose	Shea	Swanson	Welker
Quist	St. Onge	Sherman	Tomlinson	Welle
Redalen	Sarna	Simoneau	Uphus	Wigley
Reif	Schafer	Skoglund	Valan	Wynia
Rice	Scheid	Solberg	Valento	Zaffke
Riveness	Schoenfeld	Sparby	Vanasek	Speaker Sieben

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

There being no objection the House advanced to S. F. No. 1813.

S. F. No. 1813 was reported to the House.

SUSPENSION OF RULES

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, Peterson moved that the rule therein be suspended and an urgency be declared so that S. F. No. 1813 be given its third reading and be placed upon its final passage. The motion prevailed.

Peterson moved that the rules of the House be so far suspended that S. F. No. 1813 be given its third reading and be placed upon its final passage. The motion prevailed.

S. F. No. 1813, 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, and by adding a subdivision; 296.05, subdivisions 1, 4, 6, and by adding a subdivision; and 296.22, by adding a subdivision.

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

The question was taken on the passage of the bill and the roll was called. There were 127 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Blatz	Clawson	Erickson	Gustafson
Anderson, G.	Boo	Cohen	Evans	Gutknecht
Anderson, R.	Brاندl	Coleman	Findlay	Halberg
Battaglia	Brinkman	Dempsey	Fjoslien	Haukoos
Beard	Burger	DenOuden	Forsythe	Heap
Begich	Carlson, D.	Dimler	Frerichs	Heinitz
Bennett	Carlson, L.	Eken	Graba	Himle
Bergstrom	Clark, J.	Elioff	Greenfield	Hoffman
Bishop	Clark, K.	Ellingson	Gruenes	Hokr

Jacobs	McDonald	Otis	Scheid	Tunheim
Jennings	McEachern	Pauly	Schoenfeld	Uphus
Jensen	McKasy	Peterson	Schreiber	Valan
Johnson	Metzen	Piepho	Seaberg	Valento
Kalis	Minne	Piper	Segal	Vanasek
Kelly	Munger	Price	Shaver	Vellenga
Knickerbocker	Murphy	Quist	Sherman	Waltman
Knuth	Nelson, D.	Redalen	Simoneau	Welch
Kostohryz	Nelson, K.	Reif	Skoglund	Welker
Krueger	Neuenschwander	Rice	Solberg	Welle
Kvam	Norton	Riveness	Sparby	Wigley
Larsen	O'Connor	Rodosovich	Stadum	Wynia
Levi	Ogren	Rodriguez, F.	Staten	Zaffke
Long	Olsen	Rose	Swiggum	Speaker Sieben
Ludeman	Omann	St. Onge	Swanson	
Mann	Onnen	Sarna	Thiede	
Marsh	Osthoff	Schafer	Tomlinson	

The bill was passed and its title agreed to.

S. F. No. 1842, 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 third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 79 yeas and 40 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Eken	Himle	Neuenschwander	Sparby
Anderson, G.	Elioff	Jacobs	Ogren	Stadum
Anderson, R.	Erickson	Jennings	Omann	Swiggum
Battaglia	Evans	Johnson	Onnen	Swanson
Beard	Findlay	Kalis	Pauly	Thiede
Begich	Fjoslien	Knickerbocker	Piepho	Tunheim
Bennett	Forsythe	Krueger	Quist	Uphus
Bergstrom	Frerichs	Levi	Redalen	Valan
Bishop	Graba	Ludeman	Reif	Valento
Blatz	Gruenes	Mann	St. Onge	Vanasek
Boo	Gustafson	Marsh	Schafer	Waltman
Brinkman	Gutknecht	McDonald	Schoenfeld	Welker
Carlson, D.	Halberg	McEachern	Schreiber	Wenzel
Dempsey	Haukoos	Metzen	Shaver	Wigley
DenOuden	Heap	Munger	Sherman	Zaffke
Dimler	Heintz	Murphy	Solberg	

Those who voted in the negative were:

Brandl	Clawson	Hoffman	Kvam	Norton
Burger	Cohen	Jensen	Larsen	Osthoff
Carlson, L.	Coleman	Kahn	Long	Otis
Clark, J.	Ellingson	Kelly	Minne	Piper
Clark, K.	Greenfield	Kostohryz	Nelson, K.	Price

Rice	Sarna	Shea	Staten	Welle
Rodriguez, C.	Scheid	Simoneau	Tomlinson	Wynia
Rodriguez, F.	Segal	Skoglund	Vellenga	Speaker Sieben

The bill was passed and its title agreed to.

S. F. No. 1862, 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, and by adding a subdivision; 72A.23, subdivision 1; and 72A.25, 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.	Ellingson	Kelly	Omann	Shea
Anderson, G.	Erickson	Knickerbocker	Onnen	Sherman
Anderson, R.	Evans	Knuth	Osthoff	Simoneau
Battaglia	Findlay	Kostohryz	Otis	Skoglund
Beard	Fjoslien	Krueger	Pauly	Solberg
Begich	Forsythe	Kvam	Peterson	Sparby
Bennett	Frerichs	Larsen	Piepho	Stadum
Bergstrom	Graba	Levi	Piper	Sviggum
Bishop	Greenfield	Long	Price	Swanson
Blatz	Gruenes	Ludeman	Quist	Thiede
Boo	Gustafson	Mann	Redalen	Uphus
Brandl	Gutknecht	Marsh	Reif	Valan
Brinkman	Halberg	McDonald	Rodosovich	Valento
Burger	Haukoos	McEachern	Rodriguez, C.	Vellenga
Carlson, D.	Heap	McKasy	Rodriguez, F.	Waltman
Carlson, L.	Heinitz	Minne	Rose	Welch
Clark, J.	Himle	Munger	St. Onge	Welker
Clark, K.	Hoffman	Murphy	Sarna	Welle
Clawson	Hokr	Nelson, D.	Schafer	Wenzel
Cohen	Jacobs	Nelson, K.	Scheid	Wigley
Coleman	Jennings	Neuenschwander	Schoenfeld	Wynia
Dempsey	Jensen	Norton	Schreiber	Zaffke
DenOuden	Johnson	O'Connor	Seaberg	Speaker Sieben
Dimler	Kahn	Ogren	Segal	
Elioff	Kalis	Olsen	Shaver	

The bill was passed and its title agreed to.

H. F. No. 1994 was reported to the House.

Kelly moved to amend H. F. No. 1994, the first engrossment, as follows:

Page 1, lines 8 and 9, delete "a justice of the supreme court,"

Page 1, delete lines 23 to 25

Page 2, delete line 1

Page 2, line 2, delete "(4)" and insert "(3)"

Page 2, line 6, after "individuals" insert "appointed or" and delete "pursuant to clause (3) shall be chosen"

Page 2, delete line 7

Page 2, line 8, delete "judicial district. Individuals elected" and delete "clauses" and insert "clause"

Page 2, line 9, delete "and (4)"

Page 2, line 13, after "were" insert "appointed or"

Page 2, line 14, after "(1)" insert "or (3)"

Page 2, line 23, delete "(4)" and insert "(3)"

Page 2, line 32, delete "seven" and insert "six"

Page 2, line 34, delete "supreme court or"

Page 3, lines 32 and 33, delete "supreme court or"

Page 3, line 33, after "to the" insert "district"

Page 4, line 2, before "bar" insert "district"

Page 4, line 12, after the period insert, "If the vacancy has occurred or will occur in the district, county, or county-municipal court, the committee shall solicit, in writing, recommendations from the district bar associations in the judicial district and from those organizations that represent minority and women attorneys in the judicial district who have requested solicitation where the vacancy has occurred or will occur. Recommendations may be disregarded if not submitted in writing within 30 days after the bar association or organization has received the request for recommendation."

The motion prevailed and the amendment was adopted.

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 third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 125 yeas and 3 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	Bishop	Burger	Clawson	Dimler
Beard	Blatz	Carlson, D.	Cohen	Eken

Elioff	Jacobs	Metzen	Reif	Sparby
Ellingson	Jennings	Minne	Rice	Staten
Erickson	Jensen	Munger	Riveness	Sviggum
Evans	Johnson	Murphy	Rodosovich	Swanson
Findlay	Kahn	Nelson, D.	Rodriguez, C.	Thiede
Fjoslien	Kalis	Nelson, K.	Rodriguez, F.	Tomlinson
Forsythe	Kelly	Neuenschwander	Rose	Tunheim
Frerichs	Knickerbocker	O'Connor	St. Onge	Uphus
Graba	Knuth	Ogren	Sarna	Valan
Greenfield	Kostohryz	Omann	Schafer	Valento
Gruenes	Krueger	Onnen	Scheid	Vanasek
Gustafson	Kvam	Osthoff	Schoenfeld	Vellenga
Gutknecht	Larsen	Otis	Schreiber	Waltman
Halberg	Long	Pauly	Segal	Welch
Haukoos	Ludeman	Peterson	Shaver	Welker
Heap	Mann	Piepho	Shea	Welle
Heinitz	Marsh	Piper	Sherman	Wenzel
Himle	McDonald	Price	Simoneau	Wigley
Hoffman	McEachern	Quist	Skoglund	Wynia
Hokr	McKasy	Redalen	Solberg	Zaffke

Those who voted in the negative were:

Norton Olsen Speaker Sieben

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

S. F. No. 1883, A bill for an act relating to occupations and professions; prohibiting evidence of the previous sexual conduct of a patient or client in proceedings concerning unprofessional conduct; proposing new law coded in Minnesota Statutes, chapters 147 and 148.

The bill was read for the third 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 8 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Dimler	Jacobs	Nelson, D.	Rodriguez, C.
Anderson, G.	Eken	Jensen	Nelson, K.	Rodriguez, F.
Anderson, R.	Elioff	Johnson	Neuenschwander	Rose
Battaglia	Ellingson	Kahn	Norton	St. Onge
Beard	Erickson	Kalis	O'Connor	Sarna
Begich	Evans	Kelly	Ogren	Schafer
Bennett	Findlay	Knuth	Olsen	Scheid
Bergstrom	Fjoslien	Kostohryz	Omann	Schoenfeld
Bishop	Forsythe	Krueger	Onnen	Seaberg
Blatz	Frerichs	Larsen	Osthoff	Segal
Brandl	Graba	Levi	Otis	Shaver
Brinkman	Greenfield	Long	Pauly	Shea
Burger	Gruenes	Mann	Peterson	Sherman
Carlson, L.	Gustafson	Marsh	Piper	Simoneau
Clark, J.	Gutknecht	McDonald	Price	Skoglund
Cark, K.	Halberg	McEachern	Quist	Solberg
Clawson	Heap	McKasy	Redalen	Sparby
Cohen	Heinitz	Metzen	Reif	Stadum
Coleman	Himle	Minne	Rice	Staten
Dempsey	Hoffman	Munger	Riveness	Swanson
DenOuden	Hokr	Murphy	Rodosovich	Tomlinson

Tunheim	Valento	Voss	Welle	Zaffke
Uphus	Vanasek	Waltman	Wenzel	Speaker Sieben
Valan	Vellenga	Welch	Wynia	

Those who voted in the negative were:

Haukoos	Knickerbocker	Piepho	Thiede	Welker
Jennings	Ludeman	Swiggum		

The bill was passed and its title agreed to.

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 1932, 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 third 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.	Ellingson	Kostohryz	Otis	Skoglund
Anderson, G.	Erickson	Krueger	Pauly	Solberg
Anderson, R.	Evans	Kvam	Peterson	Sparby
Battaglia	Findlay	Larsen	Piepho	Stadum
Beard	Fjoslien	Levi	Piper	Staten
Begich	Forsythe	Long	Price	Swiggum
Bennett	Frerichs	Ludeman	Quist	Swanson
Bergstrom	Graba	Mann	Redalen	Thiede
Bishop	Greenfield	Marsh	Reif	Tomlinson
Blatz	Gruenes	McDonald	Rice	Tunheim
Boo	Gustafson	McEachern	Riveness	Uphus
Brandl	Gutknecht	McKasy	Rodosovich	Valan
Brinkman	Halberg	Metzen	Rodriguez, C.	Valento
Burger	Haukoos	Minne	Rodriguez, F.	Vanasek
Carlson, D.	Heap	Munger	Rose	Vellenga
Carlson, L.	Heinitz	Murphy	St. Onge	Waltman
Clark, J.	Himle	Nelson, D.	Sarna	Welch
Clark, K.	Hoffman	Nelson, K.	Schafer	Welker
Clawson	Jacobs	Neuenschwander	Scheid	Welle
Cohen	Jensen	Norton	Schoenfeld	Wenzel
Coleman	Johnson	O'Connor	Schreiber	Wigley
Dempsey	Kahn	Ogren	Seaberg	Wynia
DenOuden	Kalis	Olsen	Segal	Zaffke
Dimler	Kelly	Omnn	Shaver	Speaker Sieben
Eken	Knickerbocker	Onnen	Shea	
Elioff	Knuth	Osthoff	Sherman	

The bill was passed and its title agreed to.

The Speaker called Wynia to the Chair.

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 third 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	Knuth	Osthoff	Sherman
Anderson, G.	Erickson	Kostohryz	Otis	Simoneau
Anderson, R.	Evans	Krueger	Pauly	Skoglund
Battaglia	Findlay	Kvam	Peterson	Solberg
Beard	Fjoslien	Larsen	Piepho	Sparby
Begich	Forsythe	Levi	Piper	Stadum
Bennett	Frerichs	Long	Price	Staten
Bergstrom	Graba	Ludeman	Quist	Sviggum
Bishop	Greenfield	Mann	Redalen	Swanson
Blatz	Gruenes	Marsh	Reif	Thiede
Boo	Gustafson	McDonald	Rice	Tomlinson
Brandl	Gutknecht	McEachern	Riveness	Tunheim
Brinkman	Halberg	McKasy	Rodosovich	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
Cark, K.	Hoffman	Nelson, D.	Sarna	Waltman
Clawson	Hokr	Nelson, K.	Schafer	Welch
Cohen	Jacobs	Neuenschwander	Scheid	Welker
Coleman	Jennings	Norton	Schoenfeld	Welle
Dempsey	Johnson	O'Connor	Schreiber	Wenzel
DenOuden	Kahn	Ogrea	Seaberg	Wigley
Dimler	Kalis	Olsen	Segal	Wynia
Eken	Kelly	Omann	Shaver	Zaffke
Elioff	Knickerbocker	Onnen	Shea	Speaker Sieben

The bill was passed and its title agreed to.

S. F. No. 1572 was reported to the House.

Norton moved to amend S. F. No. 1572, as follows:

Page 2, line 13, delete "4 to 15" and insert "3 to 14"

Page 2, line 27, delete "4" and insert "3"

Page 3, line 20, delete "7" and insert "6"

Page 3, line 22, delete "4" and insert "3"

Page 3, line 23, delete "15" and insert "14"

Page 3, line 25, delete "4 to 15" and insert "3 to 14"

Page 9, line 15, delete "17" and insert "16"

Page 9, line 32, delete "22" and insert "21"

Page 13, line 23, delete "Sections 1 and 2 are" and insert "Section 1 is"

Page 13, line 24, delete "3" and insert "2"

The motion prevailed and the amendment was adopted.

S. F. No. 1572, A bill for an act relating to court proceedings; adopting provisions of the uniform probate code and clarifying laws relating to intestate succession, spouse's elective share, and omitted spouses and children; providing for ante-mortem probate of wills; proposing new law coded in Minnesota Statutes, chapters 524; and 525; repealing Minnesota Statutes 1982, sections 525.16; 525.17; 525.171; 525.20; 525.201; 525.202; 525.212 to 525.216; Minnesota Statutes 1983 Supplement, sections 525.172; and 525.173.

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

The question was taken on the passage of the bill and the roll was called. There were 106 yeas and 13 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Dimler	Krueger	Peterson	Stadum
Anderson, G.	Eken	Kvam	Piepho	Staten
Anderson, R.	Elioff	Larsen	Piper	Sviggum
Battaglia	Ellingson	Levi	Price	Swanson
Beard	Evans	Long	Redalen	Tomlinson
Begich	Findlay	Mann	Reif	Tunheim
Bennett	Fjollien	Marsh	Rice	Uphus
Bergstrom	Forsythe	McDonald	Riveness	Valan
Bishop	Graba	McKasy	Rodosovich	Valento
Blatz	Greenfield	Metzen	Rodriguez, C.	Vanasek
Boo	Gruenes	Minne	Rodriguez, F.	Vellenga
Brandl	Gustafson	Munger	Rose	Waltman
Brinkman	Gutknecht	Nelson, D.	Sarna	Weker
Burger	Hoffman	Nelson, K.	Schafer	Welle
Carlson, D.	Jacobs	Neuenschwander	Seaberg	Wenzel
Carlson, L.	Jensen	Norton	Segal	Wigley
Clark, J.	Johnson	Olsen	Shaver	Wynia
Clark, K.	Kahn	Omann	Sherman	Speaker Sieben
Clawson	Kalis	Onnen	Simoneau	
Cohen	Knickerbocker	Osthoff	Skoglund	
Coleman	Knuth	Otis	Solberg	
Dempsey	Kostohryz	Pauly	Sparby	

Those who voted in the negative were:

DenOuden	Haukoos	Ludeman	Schoenfeld	Welch
Erickson	Jennings	O'Connor	Thiede	Zaffke
Halberg	Kelly	Quist		

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

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 third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 129 yeas and 1 nay as follows:

Those who voted in the affirmative were:

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	Quist	Sviggum
Bishop	Greenfield	Ludeman	Redalen	Swanson
Blatz	Gruenes	Mann	Reif	Thiede
Boo	Gustafson	McDonald	Rice	Tomlinson
Brandt	Gutknecht	McEachern	Riveness	Tunheim
Brinkman	Halberg	McKasy	Rodosovich	Uphus
Burger	Haukoos	Metzen	Rodriguez, C.	Valan
Carlson, D.	Heap	Minne	Rodriguez, F.	Valento
Carlson, L.	Heintz	Munger	Rose	Vanasek
Clark, J.	Himle	Murphy	St. Onge	Vellenga
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	Kahn	Olsen	Segal	Wynia
Eken	Kalis	Omamm	Shaver	Zaffke
Elioff	Kelly	Onnen	Shea	Speaker Sieben
Ellingson	Knickerbocker	Osthoff	Sherman	

Those who voted in the negative were:

Anderson, R.

The bill was passed and its title agreed to.

S. F. No. 1702 was reported to the House.

Anderson, G., moved to amend S. F. No. 1702, as follows:

Page 25, line 3, after "filled" reinstate the stricken language

Page 25, line 27, after "election" reinstate the stricken language

Page 25, line 27, delete the comma

Page 68, after line 12 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 13, delete "Sec. 3" and insert "Sec. 4"

Page 68, line 14, after the comma delete "section" and insert "sections 373.28; and"

Page 68, line 14, delete "is" and insert ", are"

Delete the title and insert:

"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; allowing certain county officers to discharge duties relating to motor vehicles; amending Minnesota Statutes 1982, chapters 373, as amended, and 375, as amended; section 168.33, subdivision 2; repealing Minnesota Statutes 1982, sections 373.28; and 375.29."

The motion prevailed and the amendment was adopted.

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 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 2 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Erickson	Knuth	Onnen	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	Stadum
Bennett	Graba	Long	Price	Sviggum
Bergstrom	Greenfield	Ludeman	Quist	Swanson
Bishop	Gruenes	Mann	Redalen	Thiede
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.	Vellenga
Carlson, D.	Heinitz	Minne	Rodriguez, F.	Waltman
Carlson, L.	Hoffman	Munger	Rose	Welch
Clark, J.	Hokr	Murphy	St. Onge	Welker
Clark, K.	Jacobs	Nelson, D.	Schafer	Welle
Clawson	Jennings	Nelson, K.	Scheid	Wenzel
Coleman	Jensen	Neuenschwander	Schoenfeld	Wigley
Dempey	Johnson	Norton	Schreiber	Wynia
DenOuden	Kahn	O'Connor	Seaherg	Zaffke
Dimler	Kalis	Ogren	Segal	Speaker Sieben
Elioff	Kelly	Olsen	Shaver	
Ellingson	Knickerbocker	Omann	Shea	

Those who voted in the negative were:

Osthoff Sarna

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

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 third 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 2 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Kahn Osthoff

The bill was passed and its title agreed to.

Wenzel and Uphus were excused while in conference.

S. F. No. 1498, A bill for an act relating to occupations and professions; clarifying jurisdiction over installment of power limited circuits.

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

The question was taken on the passage of the bill and the roll was called. There were 81 yeas and 27 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Carlson, L.	Greenfield	Larsen	Onnen
Anderson, G.	Clark, J.	Gruenes	Levi	Otis
Beard	Clawson	Gutknecht	Ludeman	Pauly
Bergstrom	Cohen	Heap	Mann	Peterson
Bishop	Dempsey	Heinitz	Marsh	Piper
Blatz	DenOuden	Himle	McDonald	Price
Boo	Erickson	Hoffman	McKasy	Quist
Brandl	Findlay	Hokr	Munger	Redalen
Brinkman	Fjoslien	Knickerbocker	Murphy	Reif
Burger	Forsythe	Krueger	Norton	Rice
Carlson, D.	Frerichs	Kvam	Ogren	Rodosovich

Rodriguez, C.	Segal	Sviggum	Uphus	Welker
Rose	Shaver	Swanson	Valan	Welle
Schafer	Simoneau	Thiede	Valento	Wynia
Schoenfeld	Solberg	Tomlinson	Waltman	Zaffke
Schreiber	Stadium	Tunheim	Welch	Speaker Sieben
Seaberg				

Those who voted in the negative were:

Battaglia	Graba	Kostohryz	Piepho	Sparby
Begich	Haukoos	Metzen	Riveness	Vellenga
Bennett	Jacobs	O'Connor	Rodriguez, F.	Wigley
Clark, K.	Kalis	Olsen	Sarna	
Coleman	Kelly	Omann	Scheid	
Elioff	Knuth	Osthoff	Sherman	

The bill was passed and its title agreed to.

S. F. No. 1337, 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 third 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 51 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Elioff	Kostohryz	Olsen	Seaberg
Battaglia	Ellingson	Krueger	Otis	Segal
Beard	Fjoslien	Larsen	Pauly	Shea
Begich	Graba	Long	Peterson	Simoneau
Bennett	Greenfield	Mann	Piper	Skoglund
Bergstrom	Gruenes	McEachern	Price	Solberg
Bishop	Gustafson	Minne	Riveness	Staten
Brandl	Himle	Munger	Rodosovich	Tomlinson
Brinkman	Hoffman	Murphy	Rodriguez, C.	Tunheim
Carlson, L.	Jacobs	Nelson, K.	Rodriguez, F.	Vanasek
Clark, J.	Kahn	Neuenschwander	St. Onge	Vellenga
Clark, K.	Kalis	Norton	Sarna	Welch
Clawson	Kelly	O'Connor	Scheid	Wynia
Coleman	Knuth	Ogren	Schoenfeld	Speaker Sieben

Those who voted in the negative were:

Anderson, G.	Findlay	Kvam	Redalen	Uphus
Anderson, R.	Forsythe	Levi	Reif	Valan
Blatz	Frerichs	Ludeman	Rose	Valento
Boo	Cutknecht	Marsh	Schafer	Waltman
Burger	Halberg	McDonald	Schreiber	Welker
Carlson, D.	Haukoos	McKasy	Shaver	Welle
Dempsey	Heap	Omann	Sherman	Wigley
DenOuden	Heinitz	Onnen	Stadium	
Dimler	Jennings	Osthoff	Sviggum	
Erickson	Johnson	Piepho	Swanson	
Evans	Knickerbocker	Quist	Thiede	

The bill was passed and its title agreed to.

S. F. No. 1683 was reported to the House.

SUSPENSION OF RULES

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, McEachern moved that the rule therein be suspended and an urgency be declared so that S. F. No. 1683 be given its third reading and be placed upon its final passage. The motion prevailed.

McEachern moved that the rules of the House be so far suspended that S. F. No. 1683 be given its third reading and be placed upon its final passage. The motion prevailed.

S. F. No. 1683, 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 third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 111 yeas and 12 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Ellingson	Kostohryz	Pauly	Skoglund
Anderson, C.	Erickson	Krueger	Peterson	Solberg
Anderson, R.	Evans	Kvam	Piepho	Sparby
Battaglia	Findlay	Larsen	Piper	Stadum
Beard	Fjoslien	Levi	Price	Svigum
Begich	Forsythe	Long	Quist	Swanson
Bennett	Frerichs	Ludeman	Redalen	Thiede
Bergstrom	Gruenes	Mann	Reif	Tunheim
Bishop	Gustafson	Marsh	Riveness	Uphus
Blatz	Gutknecht	McDonald	Rodosovich	Valan
Boo	Halberg	McEachern	Rodriguez, C.	Valento
Brinkman	Haukoos	McKasy	Rodriguez, F.	Vanasek
Burger	Heap	Metzen	Rose	Waltman
Carlson, D.	Heimitz	Munger	St. Onge	Welch
Carlson, L.	Himle	Murphy	Sarna	Welker
Clawson	Hoffman	Nelson, D.	Schafer	Welle
Cohen	Jacobs	Nelson, K.	Schoenfeld	Wigley
Coleman	Jennings	Neuenschwander	Schreiber	Zaffke
Dempsey	Jensen	O'Connor	Seaberg	Speaker Sieben
DenOuden	Johnson	Ogren	Segal	
Dimler	Kalis	Omann	Shaver	
Eken	Knickerbocker	Onnen	Sherman	
Elioff	Knuth	Otis	Simoneau	

Those who voted in the negative were:

Brandl	Greenfield	Norton	Osthoff	Vellenga
Clark, J.	Kahn	Olsen	Tomlinson	Wynia
Graba	Kelly			

The bill was passed and its title agreed to.

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 third 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 10 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Eken	Kalis	Olsen	Shaver
Anderson, C.	Elioff	Kelly	Omann	Sherman
Anderson, R.	Ellingson	Knickerbocker	Osthoff	Simoneau
Battaglia	Erickson	Knuth	Otis	Skoglund
Beard	Evans	Kostohryz	Pauly	Solberg
Begich	Findlay	Krueger	Peterson	Sparby
Bennett	Fjoslien	Kvam	Piepho	Stadum
Bergstrom	Forsythe	Larsen	Piper	Staten
Bishop	Graba	Levi	Price	Svigum
Blatz	Greenfield	Long	Redalen	Swanson
Boo	Gruenes	Mann	Reif	Tomlinson
Brandl	Gustafson	Marsh	Riveness	Tunheim
Brinkman	Gutknecht	McDonald	Rodosovich	Uphus
Burger	Halberg	McEachern	Rodriguez, C.	Valan
Carlson, D.	Heap	McKasy	Rodriguez, F.	Valento
Carlson, L.	Heinitz	Minne	Rose	Vanasek
Clark, J.	Himle	Murphy	St. Onge	Vellenga
Clark, K.	Hoffman	Nelson, D.	Sarna	Waltman
Clawson	Hokr	Nelson, K.	Schafer	Welch
Cohen	Jacobs	Neuenschwander	Scheid	Welle
Coleman	Jensen	Norton	Schoenfeld	Wigley
Dempsey	Johnson	O'Connor	Schreiber	Wynia
Dimler	Kahn	Ogren	Segal	Speaker Sieben

Those who voted in the negative were:

DenOuden	Haukoos	Ludeman	Quist	Welker
Ferichs	Jennings	Onnen	Thiede	Zaffke

The bill was passed and its title agreed to.

The following conference committee report was received:

CONFERENCE COMMITTEE REPORT ON H. F. NO. 1427

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; amending Minnesota Statutes 1982, sections 3.082; 69.775; 352.113, subdivision 3; 352.95, subdivision 1a; 353.34, by adding a subdivision; 354.62, subdivision 2; 422A.18, subdivision 3; 424.24, subdivision 2; and 490.129; Minnesota Stat-

utes 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; 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.

April 19, 1984

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

The Honorable Jerome M. Hughes
President of the Senate

We, the undersigned conferees for H. F. No. 1427, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment and that H. F. No. 1427 be further amended as follows:

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 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.* 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 gov-

erning 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 sections 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 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.

Sec. 4. Minnesota Statutes 1982, section 136.82, subdivision 1, is amended to read:

Subdivision 1. The executive director of the teachers retirement fund shall redeem shares in the accounts of the Minnesota supplemental retirement investment fund standing in an employee's share account record under the following circumstances, but always in accordance with the laws and regulations governing the Minnesota supplemental retirement investment fund:

(1) When requested to do so in writing on forms provided by the executive director of the teachers retirement fund by a person having shares to the credit of the employee's share account record, if the person is (65) 60 years of age or older and is no longer employed by the state university board or state board for community colleges. In such case the person shall receive the cash realized on the redemption of the shares. The person may direct the redemption of not more than 20 percent of the

person's shares in the employee's share account record in any one year and may not direct more than one redemption in any one calendar month; provided, however, that the state university board in the case of a person employed by the state university board, and the state board for community colleges in the case of a person employed by the state board for community colleges, may, upon application, in their sole discretion, permit greater withdrawals in any one year.

(2) When requested to do so in writing on forms provided by the executive director of the teachers retirement fund by a person having shares to the credit of the employee's share account record, if the person has left employment by the state university board or state board for community colleges because of a total and permanent disability as defined in section 354.05, subdivision 14, and if the executive director of the teachers retirement fund finds that the person is totally and permanently disabled and will as a result be unable to return to similar employment, the person shall receive the cash realized on the redemption of the shares. The person may direct the redemption of not more than 20 percent of the shares in the employee's share account record in any one year and may not direct more than one redemption in any one calendar month; provided, however, that the state university board in the case of a person employed by the state university board, and the state board for community colleges in the case of a person employed by the state board for community colleges, may, upon application, in their sole discretion, permit greater withdrawals in any one year. If the person returns to good health, the person shall owe no restitution to the state or any fund created by its laws for a redemption directed pursuant to this paragraph.

(3) In the event of the death of a person having shares to the credit of the employee's share account record and leaving a surviving spouse, then when requested to do so in writing on forms provided by the executive director of the teachers retirement fund by the surviving spouse. The surviving spouse shall receive the cash realized on the redemption of the shares. The surviving spouse may direct the redemption of not more than 20 percent of the shares in the deceased spouse's employee's share account record in any one year and may not direct more than one redemption in any one calendar month; provided, however, that the state university board in the case of a person employed by the state university board, and the state board for community colleges in the case of a person employed by the state board for community colleges, may, upon application, in their sole discretion, permit greater withdrawals in any one year. In that case the surviving spouse shall receive the cash realized from the redemption of the shares. Upon the death of the surviving spouse any shares remaining in the employee's share account record shall be redeemed by the executive director of the teachers retirement fund and the cash realized therefrom distributed to the estate of the surviving spouse.

(4) In the event of the death of a person having shares to the credit of the employee's share account record and leaving no surviving spouse, then the executive director of the teachers retirement fund shall redeem all shares to the credit of the employee's share account record and pay the cash realized therefrom to the estate of the deceased person.

(5) When requested to do so in writing on forms provided by the executive director of the teachers retirement fund by a person having shares to the credit of the employee's share account record, if the person is no longer employed by the state university board or state board for community colleges, but does not qualify under the provisions of paragraphs (1) to (4). In that case one-half of the cash realized on the redemption of shares shall be received by the person and one-half shall become the property of the supplemental retirement plan account of the teachers retirement fund. Annually on July 1 the cancellations of the previous 12 months shall be prorated among the employees share accounts in proportion to the value which each account bears to the total value of all share accounts.

Sec. 5. 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. 6. 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. 7. 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 SELECTED THE ANNUITY SHALL BEGIN TO ACCRUE 30 DAYS AFTER THE APPLICATION IS FILED WITH THE DIRECTOR), but in no event prior to the day following the termination of state service or prior to the day the employee is eligible to retire by reason of both age and service requirements. The retirement annuity shall cease with the last payment which had accrued to the retired employee during his lifetime unless he elected an optional annuity provided in section 352.116, subdivision 3, and he had become entitled to payment thereof. The joint and last survivor annuity shall cease with the last payment received by the survivor in his or her lifetime. If a retired employee had not selected an optional annuity, or a survivor annuity is not payable under the option, and a spouse survives, such spouse shall be entitled only to the annuity for the calendar month in which the retired employee died. If an optional annuity is payable after the death of the retired employee, the survivor shall be entitled to the annuity for the calendar month in which the retired employee died.

Sec. 8. 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. 9. Minnesota Statutes 1982, section 352.95, subdivision 1a, is amended to read:

Subd. 1a. [OPTIONAL ANNUITY ELECTION.] A disabled correctional employee may elect 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 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 benefit begins to accrue as provided in subdivision 3 (, WHICHEVER OCCURS LATER). Upon becoming effective, the optional annuity shall begin to accrue on the same date as provided for the disability benefit.

Sec. 10. 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. 11. 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. 12. 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. 13. 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. 14. [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. 15. 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. 16. Minnesota Statutes 1982, section 490.124, subdivision 3, is amended to read:

Subd. 3. [EARLY RETIREMENT.] The retirement annuity provided by subdivision 1 of any judge electing to retire at an early retirement date shall be reduced by (1/15TH FOR EACH FULL YEAR OR FRACTION THEREOF) *one-half of one percent per month* from his retirement date to normal retirement date.

Sec. 17. Minnesota Statutes 1982, section 490.129, is amended to read:

490.129 [BENEFITS OFFSET.]

Upon any event of maturity of benefits for any judge referred to in section 355.392, subdivision 1, clause (b), (OR FOR THE JUDGE'S SURVIVING SPOUSE OR DEPENDENT CHILDREN,) the amount payable from the judges' retirement fund shall be reduced by 75 percent of the amount of the judge's primary benefit payable upon the event of maturity of benefits under the social security act.

Upon any event of maturity of benefits for the judge's surviving spouse or dependent children under section 490.124, subdivision 9, the amount payable from the judges' retirement fund shall be based (a) on the judge's normal retirement annuity or (b) upon the event of maturity of benefits under the social security act, on the judge's normal retirement annuity after reduction by 75 percent of the amount of the judge's primary benefit under the social security act; provided that the surviving spouse or dependent children shall receive an annuity of not less than 25 percent of the judge's final average compensation.

Sec. 18. [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. 19. Laws 1980, chapter 600, section 17, is amended to read:

Sec. 17. [RETIREMENT COVERAGE FOR CERTAIN ST. LOUIS PARK POLICE OFFICERS.] Notwithstanding any provision of Minnesota Statutes, Section 353.64, Subdivision 1, or any other general or special law or rule to the contrary, a person who was employed by the city of St. Louis Park as a police officer during the period from September of 1967 through July of 1977 shall upon (1) (REEMPLOYMENT AS A ST. LOUIS PARK POLICE OFFICER AND (2)) repayment of employee contributions previously refunded to him plus interest on the refund amount at the rate of six percent per annum compounded annually from the date the refund was taken until the date the refund was repaid and ((3)) (2) the completion of additional service sufficient to total ten years or more, or upon completion of at least six years of additional service to the city in a capacity other than that of police officer, be entitled to (TRANSFER ALL ALLOWABLE SERVICE CREDIT IN) a service pension from the St. Louis Park police relief association (TO THE PUBLIC EMPLOYEES POLICE AND FIRE FUND) based upon ten years of service. Upon fulfillment of the above conditions and application by the individual, but not later than December 31, 1986, (THE ST. LOUIS PARK POLICE RELIEF ASSOCIATION SHALL PAY TO THE PUBLIC EMPLOYEES POLICE AND FIRE FUND AN AMOUNT EQUAL TO THE COMBINED EMPLOYER AND EMPLOYEE CONTRIBUTIONS MADE BY OR ON BEHALF OF THE INDIVIDUAL PLUS COMPOUND INTEREST THEREON AT THE RATE OF SIX PERCENT PER ANNUM FROM THE DATE ORIGINALLY RECEIVED. IN CALCULATING THE AMOUNT OF EMPLOYER CONTRIBUTIONS MADE ON BEHALF OF THE INDIVIDUAL, THE AMOUNTS WHICH REPRESENT THE ANNUAL PRO RATA SHARE OF ALL AMOUNTS RECEIVED BY THE ST. LOUIS PARK POLICE RELIEF ASSOCIATION, EXCLUDING INTEREST ON THE ACCUMULATED ASSETS OF THE RELIEF ASSOCIATION AND MEMBER CONTRIBUTIONS, DETERMINED ON BASIS OF THE NUMBER OF ACTIVE MEMBERS EACH YEAR, SHALL BE UTILIZED. IF THE AMOUNT THUS PAID IS GREATER THAN THE TOTAL OF CONTRIBUTIONS WHICH WOULD HAVE BEEN REQUIRED HAD THE INDIVIDUAL BEEN A MEMBER OF THE PUBLIC

EMPLOYEES POLICE AND FIRE FUND DURING THE PERIODS WHEN THE SERVICE WAS RENDERED, THE AMOUNT OF THE EXCESS SHALL BE REFUNDED TO THE ST. LOUIS PARK POLICE RELIEF ASSOCIATION. IF THE AMOUNT PAID IS LESS THAN THE REQUIRED AMOUNT, THE INDIVIDUAL SHALL PAY THIS AMOUNT, UNLESS THE GOVERNING BODY OF THE CITY OF ST. LOUIS PARK ELECTS TO MAKE THE PAYMENT) *the individual shall pay to the St. Louis Park police relief association an amount equal to the employee contributions which would have been required had employment continued until the employee attained ten years of allowable service credit, plus compound interest thereon at the rate of six percent per annum from the date originally due. The city shall make the employer contribution. No service credit in the (PUBLIC EMPLOYEES POLICE AND FIRE FUND) St. Louis Park police relief association shall be granted until all conditions of this section have been fulfilled and all required payments have been made.*

Sec. 20. 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. 21. [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. 22. 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. 23. 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. 24. 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. 25. 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. 26. 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. 27. [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. 28. [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. 29. [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. 30. [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 ab-

sence 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. 31. [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 352.34, 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. 32. [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. 33. [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. 34. [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. 35. [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. 36. [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. 37. [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 14 is effective retroactively to July 1, 1981. Section 29 is effective for deaths occurring after July 1, 1982. Section 10 is effective retroactively to June

30, 1983. Sections 11 and 35 are effective July 1, 1984. Sections 18 to 27, and 33 are effective upon approval by the appropriate governing body and compliance with Minnesota Statutes, section 645.021. In the case of section 24, the appropriate governing body is the Red Wing city council. The remaining sections are effective the day following final enactment. Refunds shall be paid or options exercised and repayments of refunds made pursuant to section 32 prior to July 1, 1984. The repeal of Laws 1982, chapter 578, article II, section 1, subdivision 1, and section 3, is effective July 1, 1984. The change in calculations of survivors' benefits under the judges retirement and survivors' annuities law is retroactive to January 1, 1983."

✓ 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; amending Minnesota Statutes 1982, sections 3.082; 69.775; 136.82, subdivision 1; 352.113, subdivision 3; 352.95, subdivision 1a; 352D.02, by adding a subdivision; 353.34, by adding a subdivision; 354.62, subdivision 2; 422A.18, subdivision 3; 424.24, subdivision 2; 490.124, subdivision 3; and 490.129; 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; Laws 1980, chapter 600, section 17; and Laws 1981, chapter 68, section 43; 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."

We request adoption of this report and repassage of the bill.

House Conferees: JOHN SARNA, JAMES METZEN and RICHARD E. (DICK) WIGLEY.

Senate Conferees: DON FRANK, DONALD M. MOE and EARL W. RENNEKE.

Sarna moved that the report of the Conference Committee on H. F. No. 1427 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 1427, 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; amending Minnesota Statutes 1982, sections 3.082; 69.775; 352.113, subdivision 3; 352.95, subdivision 1a; 353.34, by adding a subdivision; 354.62, subdivision 2; 422A.18, subdivision 3; 424.24, subdivision 2; and 490.129; 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; 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.

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

The question was taken on the repassage of the bill and the roll was called. There were 103 yeas and 14 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Elioff	Kelly	Omann	Simoneau
Anderson, R.	Ellingson	Knickerbocker	Osthoff	Skoglund
Battaglia	Evans	Knuth	Otis	Solberg
Beard	Findlay	Kostohryz	Peterson	Sparby
Begich	Fjoslien	Kvam	Piepho	Staten
Bennett	Forsythe	Larsen	Piper	Swanson
Bergstrom	Graba	Levi	Price	Tunheim
Bishop	Greenfield	Long	Redalen	Uphus
Blatz	Gruenes	Mann	Rice	Valan
Boo	Gustafson	Marsh	Riveness	Valento
Brandl	Halberg	McDonald	Rodosovich	Vanasek
Brinkman	Haukoos	McEachern	Rodriguez, C.	Vellenga
Burger	Heap	McKasy	Rodriguez, F.	Waltman
Carlson, L.	Heinitz	Metzen	Rose	Weloh
Clark, J.	Hoffman	Minne	St. Onge	Welle
Clark, K.	Hokr	Murphy	Sarna	Wigley
Cohen	Jacobs	Nelson, K.	Scheid	Wynia
Coleman	Jensen	Neuenschwander	Schreiber	Zaffke
Dempsey	Johnson	Norton	Seaberg	Speaker Sieben
Dimler	Kahn	Ogren	Segal	
Eken	Kalis	Olsen	Sherman	

Those who voted in the negative were:

DenOuden	Gutknecht	Ludeman	Reif	Thiede
Erickson	Himle	Onnen	Schafer	Welker
Frerichs	Jennings	Quist	Shaver	

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

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. 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, by adding a subdivision; and Minnesota Statutes 1983 Supplement, section 144.651, subdivision 1.

PATRICK E. FLAHAVERN, Secretary of the Senate

Clark, K., moved that the House refuse to concur in the Senate amendments to H. F. No. 229, that the Speaker appoint a Conference Committee of 3 members of the House and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 229:

Clark, K.; Reif and Swanson.

SPECIAL ORDERS, Continued

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 third 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.	Bergstrom	Burger	Coleman	Ellingson
Anderson, R.	Bishop	Carlson, D.	Dempsey	Erickson
Battaglia	Blatz	Carlson, L.	DenOuden	Evans
Beard	Boo	Clark, J.	Dimler	Findlay
Begich	Brandl	Clark, K.	Eken	Fjoslien
Bennett	Brinkman	Cohen	Elioff	Forsythe

Frerichs	Kelly	Neuenschwander	Rodriguez, F.	Swanson
Graba	Knickerbocker	Norton	Rose	Thiede
Greenfield	Knuth	O'Connor	St. Onge	Tomlinson
Gruenes	Kostohryz	Ogren	Sarna	Tunheim
Gustafson	Kvam	Olsen	Schafer	Uphus
Gutknecht	Larsen	Omann	Scheid	Valan
Halberg	Levi	Onnen	Schoenfeld	Valento
Hankoo	Long	Otis	Schreiber	Vanasek
Heap	Ludeman	Pauly	Seaberg	Vellenga
Heinitz	Mann	Peterson	Segal	Waltman
Himle	Marsh	Piepho	Shaver	Welch
Hoffman	McDonald	Piper	Sherman	Welker
Hokr	McEachern	Price	Simoneau	Welle
Jacobs	McKasy	Quist	Skoglund	Wigley
Jennings	Metzen	Redalen	Solberg	Wynia
Jensen	Munger	Reif	Sparby	Zaffke
Johnson	Murphy	Riveness	Stadum	Speaker Sieben
Kahn	Nelson, D.	Rodosovich	Staten	
Kalis	Nelson, K.	Rodriguez, C.	Sviggum	

The bill was passed and its title agreed to.

S. F. No. 595 was reported to the House.

There being no objection S. F. No. 595 was temporarily laid over on Special Orders.

S. F. No. 1408 was reported to the House.

Coleman moved to amend S. F. No. 1408, as follows:

Page 2, after line 18, insert:

"Section 1. Minnesota Statutes 1982, section 15.014, subdivision 2, is amended to read:

Subd. 2. [CREATION; LIMITATIONS.] A commissioner of a state department, a state board or other agency having the powers of a board as defined in section 15.012, may create advisory task forces to advise the commissioner or agency on specific programs or topics within the jurisdiction of the department or agency. A task force so created shall have no more than 15 members. The task force shall expire and the terms and removal of members shall be as provided in section 15.059, subdivision 6. The members of no more than four task forces created pursuant to this section in a department or agency may be paid expenses in the same manner and amount as (PAID TO STATE EMPLOYEES) authorized by the commissioner's plan adopted according to section 43A.18, subdivision 2. No member of a task force shall be compensated for his services in a manner not provided for in statute. A commissioner, board, council, committee, or other state agency may not create any other multi-member agency unless specifically authorized by statute or unless the creation of the agency is authorized by federal law as a condition precedent to the receipt of federal money.

Sec. 2. Minnesota Statutes 1982, section 15.0593, is amended to read:

15.0593 [AGENCIES CREATED BY EXECUTIVE ORDER.]

The governor may by executive order create in his office advisory task forces, councils and committees to advise or assist him on matters relating to the laws of this state. A task force, council or committee so created shall have no more than 15 members, and vacancies may be filled by the governor. Members of a task force, council or committee shall receive no per diem but may be paid expenses (IN THE SAME MANNER AS STATE EMPLOYEES) as authorized by the commissioner's plan adopted according to section 43A.18, subdivision 2. A task force, council or committee shall expire two years after the date of order unless otherwise specified consistent with section 4.035, subdivision 3. The task force, council or committee shall be named beginning with the prefix "Governor's Task Force on," "Governor's Council on" or "Governor's Committee on." The governor shall not create a board, commission, authority or other similar multi-member agency except as provided in this section. A multi-member agency previously created by executive order shall be renamed and shall be consistent with the provisions of this section. Nothing in this section shall apply, to the extent inconsistent with statute or federal law, to any multi-member agency specifically authorized by statute or specifically authorized by federal law as a condition precedent to the receipt of federal moneys.

Sec. 3. 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 *Olympic* 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 *Olympic* training camp and *Olympic* competition combined or 90 calendar days (A) *in an Olympic year*, whichever is less."

Page 80, after line 17, insert:

"Sec. 79. Minnesota Statutes 1982, section 43A.08, subdivision 1, is amended to read:

Subdivision 1. [UNCLASSIFIED POSITIONS.] Unclassified positions are held by employees who are:

- (a) Chosen by election or appointed to fill an elective office;
- (b) Heads of agencies required by law to be appointed by the governor or other elective officers, and the executive or administrative heads of departments, bureaus, divisions and institutions specifically established by law in the unclassified service;
- (c) Deputy and assistant agency heads, and one confidential secretary in the agencies listed in subdivision 1a;
- (d) The confidential secretary to each of the elective officers of this state and, for the secretary of state, state auditor, and state treasurer, an additional deputy, clerk, or employee;
- (e) Intermittent help employed by the commissioner of public safety to assist in the issuance of vehicle licenses;
- (f) Employees in the offices of the governor and of the lieutenant governor, and one confidential employee for the governor in the office of the adjutant general;
- (g) Employees of the legislature and of legislative committees or commissions; provided that employees of the legislative audit commission, except for the legislative auditor, the deputy legislative auditors, and their confidential secretaries, shall be employees in the classified service;
- (h) Presidents, vice presidents, deans, other managers and professionals in academic and academic support programs, administrative or service faculty, teachers, research assistants and student employees eligible under terms of the federal economic opportunity act work study program in the state universities and community colleges. This paragraph shall not be construed to include the custodial, clerical or maintenance employees, or any professional or managerial employee performing duties in connection with the business administration of these institutions.
- (i) Officers and enlisted persons in the national guard;
- (j) Attorneys, legal assistants, examiners, and three confidential employees appointed by the attorney general or employed with his authorization;
- (k) Judges and all employees of the judicial branch, referees, receivers, jurors, and notaries public, except referees and adjusters employed by the department of labor and industry;
- (l) Members of the state patrol; provided that selection and appointment of state patrol troopers shall be made in accordance with applicable laws governing the classified service;

- (m) Seasonal help employed by the department of revenue;
- (n) (EMPLOYEES OF THE DEPARTMENT OF ADMINISTRATION PERMANENTLY ASSIGNED TO THE CEREMONIAL HOUSE;)
- ((O)) Chaplains employed by the state;
- ((P)) (o) Examination monitors and intermittent training instructors employed by the departments of employee relations and commerce;
- ((Q)) (p) Student workers; and
- ((R)) (q) Employees unclassified pursuant to other statutory authority.

Sec. 80. Minnesota Statutes 1983 Supplement, section 43A.10, subdivision 8, is amended to read:

Subd. 8. [ELIGIBILITY FOR QUALIFIED HANDICAPPED EXAMINATIONS.] The commissioner shall establish examination procedures for candidates whose handicaps are of such a severe nature that the candidates are unable to demonstrate their abilities in competitive examination processes. The examination procedure shall consist of up to 700 hours on-the-job trial work experience which will be in lieu of a competitive examination and for which the (EMPLOYEE) *disabled person* will be paid or unpaid at (THE EMPLOYEE'S) *his or her* option. This work experience shall be limited to candidates who (ARE MENTALLY RETARDED, HAVE SEVERE HEARING OR VISUAL IMPAIRMENTS, HAVE MOBILITY IMPAIRMENTS REQUIRING THE USE OF A WHEELCHAIR, OR HAVE OTHER IMPAIRMENTS THAT COMPRISE SERIOUS EMPLOYMENT HANDICAPS AND WHO HAVE BEEN REFERRED FOR EMPLOYMENT TO A SPECIFIC SUITABLE VACANCY BY A VOCATIONAL REHABILITATION, VETERANS ADMINISTRATION, OR SERVICES FOR THE BLIND COUNSELOR) *have a physical or mental impairment for which there is no reasonable accommodation in the examination process.* Implementation of provisions of this subdivision shall not be deemed a violation of other provisions of Laws 1981, chapter 210 or chapter 363.

Sec. 81. Minnesota Statutes 1983 Supplement, section 43A.23, subdivision 1, is amended to read:

Subdivision 1. [GENERAL.] The commissioner is authorized to request bids from carriers or to negotiate with carriers and to enter into contracts with carriers which in the judgment of the commissioner are best qualified to underwrite and service the benefit plans. *The commissioner may negotiate premium rates and coverage provisions with all carriers li-*

censed under chapters 62A, 62C, and 62D. The commissioner may also negotiate reasonable restrictions to be applied to all carriers under chapters 62A, 62C, and 62D. Contracts to underwrite the benefit plans shall be bid or negotiated separately from contracts to service the benefit plans, which shall be awarded only on the basis of competitive bids. The commissioner shall consider the cost of the plans, conversion options relating to the contracts, service capabilities, character, financial position, and reputation of the carriers and any other factors which the commissioner deems appropriate. Each benefit contract shall be for a uniform term of at least one year, but may be made automatically renewable from term to term in the absence of notice of termination by either party. The commissioner shall, to the extent feasible, make hospital and medical benefits available from at least one carrier licensed to do business pursuant to each of chapters 62A, 62C and 62D. The commissioner need not provide health maintenance organization services to an employee who resides in an area which is not served by a licensed health maintenance organization. The commissioner may refuse to allow a health maintenance organization to continue as a carrier if it was selected by less than 200 employees in the preceding benefit year. The commissioner may elect not to offer all three types of carriers if there are no bids or no acceptable bids by that type of carrier or if the offering of additional carriers would result in substantial additional administrative costs. Any carrier licensed pursuant to chapter 62A shall be exempt from the tax imposed by section 60A.15 on premiums paid to it by the state.

Sec. 82. Minnesota Statutes 1982, section 43A.33, subdivision 1, is amended to read:

Subdivision 1. [DISCHARGE, SUSPENSION, DEMOTION FOR CAUSE, SALARY DECREASE.] Managers and employees shall attempt to resolve disputes through informal means prior to the initiation of disciplinary action. No permanent employee in the classified service shall be reprimanded, discharged, suspended without pay, or (REDUCED IN PAY OR POSITION) *demoted*, except for just cause.

Sec. 83. Minnesota Statutes 1982, section 43A.33, subdivision 3, is amended to read:

Subd. 3. [PROCEDURES.] Procedures for discipline and discharge of employees covered by collective bargaining agreements shall be governed by the agreements. Procedures for employees not covered by a collective bargaining agreement shall be governed by this subdivision and by the commissioner's and managerial plans.

(a) For discharge, suspension without pay or (REDUCED IN PAY OR POSITION) *demotion*, no later than the effective date of such action, a permanent classified employee not covered by a collective bargaining agreement shall be given

written notice by the appointing authority. The written notice shall include a statement of the nature of the disciplinary action, the specific reasons for the action, the effective date of the action and a statement informing the employee of the employee's right to reply within five working days (OF) following the receipt of the notice in writing or, upon request, in person, to the appointing authority or the authority's designee. *The appointing authority shall respond within ten working days following receipt of the employee's reply or of the personal meeting. If the employee receives a negative reply or no reply from the appointing authority, the employee shall have 30 calendar days following the expiration of the ten working day response period to appeal the action to the office of administrative hearings.* The notice shall also include a statement that the employee may elect to appeal the action to the office of administrative hearings within 30 calendar days (OF) following the effective date of the disciplinary action (; PROVIDED, THAT AN EMPLOYEE WHO ELECTS TO REPLY TO THE APPOINTING AUTHORITY MAY APPEAL TO THE OFFICE WITHIN TEN WORKING DAYS OF THE RECEIPT OF THE AUTHORITY'S RESPONSE TO THE REPLY. IF THE APPOINTING AUTHORITY HAS NOT RESPONDED WITHIN 30 DAYS OF THE AUTHORITY'S RECEIPT OF THE EMPLOYEE'S REPLY, THE APPOINTING AUTHORITY SHALL BE DEEMED TO HAVE REPLIED UNFAVORABLY TO THE EMPLOYEE). A copy of the notice and the employee's reply, if any, shall be filed by the appointing authority with the commissioner no later than ten calendar days following the effective date of the disciplinary action. The commissioner shall have final authority to decide whether the appointing authority shall settle the dispute prior to the hearing provided under subdivision 4.

(b) For discharge, suspension or (REDUCTION IN PAY OR POSITION) *demotion* of an employee serving an initial probationary period, and for noncertification in any subsequent probationary period, grievance procedures shall be as provided in the plan established pursuant to section 43A.18.

(c) Any permanent employee who is covered by a collective bargaining agreement may elect to appeal to the chief hearing examiner within 30 days (AFTER) following the effective date of the discharge, suspension or (REDUCTION IN PAY OR POSITION) *demotion* if the collective bargaining agreement provides that option. In no event may an employee use both the procedure under this section and the grievance procedure available pursuant to sections 179.61 to 179.76.

Sec. 84. Minnesota Statutes 1983 Supplement, section 116L.03, subdivision 6, is amended to read:

Subd. 6. [STAFF.] The board may hire an executive director who shall serve in the unclassified service who shall manage

the partnership subject to the board's direction. The director may employ a small staff as necessary to carry out the board's policies."

Correct internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Coleman moved to amend S. F. No. 1408, as amended, as follows:

Page 73, line 22, delete "*investige*" and insert "*investigate*"

The motion prevailed and the amendment was adopted.

Sviggum and Carlson, D., moved to amend S. F. No. 1408, as amended, as follows:

Page 42, line 12, delete "*one*" insert "*1/2*"

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 35 yeas and 71 nays as follows:

Those who voted in the affirmative were:

Bennett	Fjoslien	Kalis	Redalen	Sviggum
Carlson, D.	Frerichs	Kvam	Reif	Uphus
Dempsey	Gruenes	Ludeman	Rose	Valento
DenOuden	Gutknecht	Marsh	Schafer	Waltman
Dimler	Haukoos	McDonald	Seaberg	Welker
Evans	Heinitz	Onnen	Shaver	Wigley
Findlay	Hokr	Piepho	Sherman	Zaffke

Those who voted in the negative were:

Battaglia	Elioff	Krueger	Piper	Sparby
Beard	Ellingson	Long	Price	Staten
Begich	Forsythe	McEachern	Quist	Swanson
Bergstrom	Graba	Metzen	Riveness	Thiede
Bishop	Greenfield	Murphy	Rodosovich	Tomlinson
Blatz	Gustafson	Nelson, K.	Rodriguez, C.	Tunheim
Brandl	Heap	Neuenschwander	Rodriguez, F.	Valan
Brinkman	Himle	Norton	St. Onge	Vanasek
Burger	Hoffman	O'Connor	Sarna	Vellenga
Carlson, L.	Jensen	Ogren	Scheid	Wynia
Clark, J.	Kahn	Olsen	Schoenfeld	Speaker Sieben
Clark, K.	Kelly	Omann	Segal	
Cohen	Knickerbocker	Otis	Simoneau	
Coleman	Knuth	Pauly	Skoglund	
Eken	Kostohryz	Peterson	Solberg	

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

Thiede moved to amend S. F. No. 1408, as amended, as follows:

Page 42, after line 8, insert a section to read:

"Sec. 37. Minnesota Statutes 1983 Supplement, section 16.321, subdivision 1, is amended to read:

Subdivision 1. [PERCENT OF APPROPRIATIONS FOR ART.] An appropriation for the construction or alteration of any state building that is enacted on or after June 15, 1983, may contain an amount not to exceed one percent 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 (.), and "works of art" means those created in Minnesota by a local artist. No more than 50 percent of any money available for the acquisition of works of art may be spent in the seven county metropolitan area."

Renumber the remaining sections

Amend the title accordingly

A roll call was requested and properly seconded.

The Speaker resumed the Chair.

The question was taken on the amendment and the roll was called. There were 23 yeas and 80 nays as follows:

Those who voted in the affirmative were:

Boo	Fjoslien	McKasy	Schafer	Waltman
Dempsey	Gutknecht	Ogren	Sviggum	Welker
DenOuden	Johnson	Omann	Thiede	Wigley
Evans	Ludeman	Piepho	Uphus.	
Findlay	McDonald	Redalen	Valan	

Those who voted in the negative were:

Battaglia	Burger	Ellingson	Heap	Kelly
Beard	Carlson, L.	Forsythe	Heinitz	Knickerbocker
Begich	Clark, J.	Frerichs	Himle	Knuth
Bennett	Clark, K.	Graba	Hoffman	Kostohryz
Bergstrom	Cohen	Greenfield	Jacobs	Krueger
Blatz	Coleman	Gruenes	Jensen	Larsen
Brandl	Eken	Gustafson	Kahn	Levi
Brinkman	Elioff	Haukoos	Kalis	Long

McEachern	Otis	Rodriguez, C.	Shaver	Swanson
Metzen	Pauly	Rodriguez, F.	Shea	Tomlinson
Murphy	Peterson	St. Onge	Sherman	Tunheim
Nelson, K.	Piper	Sarna	Simoneau	Vanasek
Norton	Price	Scheid	Skoglund	Vellenga
O'Connor	Quist	Schoenfeld	Solberg	Welch
Olsen	Riveness	Schreiber	Sparby	Wynia
Onnen	Rodsoovich	Segal	Staten	Speaker Sieben

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

S. F. No. 1408, 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.

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

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

Those who voted in the affirmative were:

Anderson, B.	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	Quist	Swanson
Bergstrom	Greenfield	Ludeman	Redalen	Thiede
Bishop	Gruenes	Mann	Reif	Tomlinson
Blatz	Gustafson	Marsh	Riveness	Tunheim
Boo	Gutknecht	McDonald	Rodosovich	Uplus
Brandl	Halberg	McEachern	Rodriguez, C.	Valan
Brinkman	Haukoos	McKasy	Rodriguez, F.	Valento
Burger	Heap	Metzen	Rose	Vanasek
Carlson, D.	Heinitz	Minne	St. Onge	Vellenga
Carlson, L.	Himle	Munger	Sarna	Waltman
Clark, J.	Hoffman	Murphy	Schafer	Welch
Clark, K.	Hokr	Nelson, D.	Scheid	Welker
Cohen	Jacobs	Neuenschwander	Schoenfeld	Welle
Coleman	Jennings	Norton	Schreiber	Wigley
Dempsey	Jensen	O'Connor	Seaberg	Wynia
DenOuden	Johnson	Ogren	Segal	Zaffke
Dimler	Kahn	Olsen	Shaver	Speaker Sieben
Eken	Kalis	Omann	Shea	
Elioff	Kelly	Onnen	Sherman	
Ellingson	Knickerbocker	Osthoff	Simoncau	
Erickson	Knuth	Otis	Skoglund	

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

MESSAGES FROM THE SENATE, Continued

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 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 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 15 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; 400.162; 473.181, subdivision 4; 473.801, subdivisions 1 and 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 473; 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 Senate has appointed as such committee Messrs. Merriam; Berg; Wegscheid; Peterson, R. W., and Dicklich.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVER, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 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, subdivision 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 Senate has appointed as such committee Messrs. Solon, Dicklich and Mrs. Kronebusch.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

H. F. No. 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.

PATRICK E. FLAHAVEN, Secretary of the Senate

Krueger moved that the House refuse to concur in the Senate amendments to H. F. No. 1425, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1425:

Krueger, Wenzel and Graba.

Mr. Speaker:

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

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.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Kalis moved that the House concur in the Senate amendments to H. F. No. 1509 and that the bill be repassed as amended by the Senate. The motion prevailed.

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, as amended by the Senate, and placed upon its repassage.

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

Those who voted in the affirmative were:

Anderson, B.	Cohen	Gutknecht	Kvam	Omann
Anderson, C.	Coleman	Halberg	Larsen	Onnen
Battaglia	Dempsey	Haukoos	Levi	Osthoff
Beard	DenOuden	Heap	Long	Otis
Begich	Dimler	Heinitz	Mann	Pajuly
Bennett	Eken	Himle	Marsh	Peterson
Bergstrom	Elioff	Hoffman	McDonald	Piepho
Bishop	Ellingson	Jacobs	McKasy	Piper
Blatz	Erickson	Jennings	Minne	Price
Boo	Evans	Jensen	Munger	Quist
Brandl	Findlay	Johnson	Murphy	Redalen
Brinkman	Fjoslien	Kahn	Nelson, D.	Reif
Burger	Forsythe	Kalis	Nelson, K.	Rice
Carlson, D.	Frerichs	Kelly	Neuenschwander	Riveness
Carlson, L.	Graba	Knickerbocker	Norton	Rodosovich
Clark, J.	Greenfield	Knuth	O'Connor	Rodriguez, C.
Clark, K.	Gruenes	Kostohryz	Ogren	Rodriguez, F.
Clawson	Gustafson	Krueger	Olsen	Rose

St. Onge	Segal	Sparby	Tunheim	Welch
Sarna	Shaver	Stadum	Uphus	Welker
Schafer	Shea	Staten	Valan	Welle
Scheid	Sherman	Swigum	Valento	Wigley
Schoenfeld	Simoneau	Swanson	Vanasek	Wynia
Schreiber	Skoglund	Thiede	Vellenga	Zaffke
Seaberg	Solberg	Tomlinson	Waltman	Speaker Sieben

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. 1974, A bill for an act relating to energy; defining residence; establishing energy efficiency standards for public housing; amending Minnesota Statutes 1982, sections 116J.27, subdivisions 1 and 4; and 116J.30, by adding a subdivision.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Price moved that the House concur in the Senate amendments to H. F. No. 1974 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1974, A bill for an act relating to energy; defining residence; establishing energy efficiency standards for public housing; providing remedies for noncompliance with the minimum energy efficiency standards for renter-occupied residences; making other changes; amending Minnesota Statutes 1982, sections 116J.27, subdivisions 1 and 4, and by adding subdivisions; 116J.30, by adding subdivisions; Minnesota Statutes 1983 Supplement, sections 116J.27, subdivision 6; and 290A.19.

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 80 yeas and 42 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Brandl	Elioff	Jacobs	Larsen
Anderson, G.	Brinkman	Ellingson	Jensen	Long
Battaglia	Carlson, L.	Greenfield	Kahn	Mann
Beard	Clark, J.	Gustafson	Kalis	McEachern
Begich	Clark, K.	Halberg	Kelly	McKasy
Bergstrom	Clawson	Heap	Knuth	Metzen
Bishop	Cohen	Himle	Kostohryz	Minne
Blatz	Coleman	Hoffman	Krueger	Munger

Murphy	Osthoff	Rodosovich	Seaberg	Tunheim
Nelson, D.	Otis	Rodriguez, C.	Segal	Uphus
Nelson, K.	Pauly	Rodriguez, F.	Shaver	Vanasek
Neuenschwander	Peterson	St. Onge	Shea	Vellenga
Norton	Piper	Sarna	Solberg	Welch
O'Connor	Price	Schafer	Sparby	Welle
Ogren	Rice	Scheid	Staten	Wynia
Olsen	Riveness	Schoenfeld	Tomlinson	Speaker Sieben

Those who voted in the negative were:

Bennett	Fjoslien	Knickerbocker	Quist	Valan
Burger	Forsythe	Kvam	Redalen	Valento
Carlson, D.	Frerichs	Levi	Reif	Waltman
Dempsey	Gruenes	Ludeman	Rose	Welker
DenOuden	Gutknecht	Marsh	Schreiber	Wigley
Dimler	Haukoos	McDonald	Stadum	Zaffke
Erickson	Hokr	Omann	Swiggum	
Evans	Jennings	Onnen	Swanson	
Findlay	Johnson	Piepho	Thiede	

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

Eken moved that the House recess subject to the call of the Chair. The motion prevailed.

RECESS

RECONVENED

The House reconvened and was called to order by the Speaker.

The following conference committee report was received:

The Conference Committee report on H. F. No. 2317 was reported to the House.

Rodriguez, C., moved that the House refuse to adopt the Conference Committee report on H. F. No. 2317, that the present House Conference Committee be discharged, that the Speaker appoint a new Conference Committee consisting of five members on the part of the House, and that the Senate be advised of the House action.

A roll call was requested and properly seconded.

The question was taken on the Rodriguez, C., motion and the roll was called. There were 24 yeas and 86 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Johnson	Olsen	Seaberg	Swiggum
Boo	Kostohryz	Onnen	Segal	Thiede
DenOuden	Levi	Pauly	Shaver	Uphus
Forsythe	McKasy	Rodriguez, C.	Shea	Valan
Gruenes	Norton	Schreiber	Stadum	

Those who voted in the negative were:

Anderson, R.	Erickson	Kelly	Otis	Staten
Battaglia	Findlay	Knuth	Peterson	Swanson
Beard	Frerichs	Krueger	Piepho	Tomlinson
Begich	Graba	Kvam	Piper	Tunheim
Bennett	Greenfield	Larsen	Quist	Vellenga
Bergstrom	Gustafson	Ludeman	Redalen	Waltman
Bishop	Gutknecht	Marsh	Reif	Welch
Blatz	Halberg	McDonald	Riveness	Welker
Brandl	Haukoos	McEachern	Rodosovich	Welle
Burger	Heap	Metzen	St. Orge	Wenzel
Carlson, L.	Heinitz	Minne	Schafer	Wigley
Clark, J.	Himle	Murphy	Scheid	Wynia
Clark, K.	Hoffman	Nelson, K.	Schoenfeld	Zaffke
Coleman	Hokr	Neuenschwander	Sherman	Speaker Sieben
Dempsey	Jacobs	O'Connor	Simoneau	
Dimler	Jennings	Ogren	Skoglund	
Elioff	Kahn	Omann	Solberg	
Ellingson	Kalis	Osthoff	Sparby	

The motion did not prevail.

Rice moved that the report of the Conference Committee on H. F. No. 2317 be adopted and that the bill be repassed as amended by the Conference Committee.

Norton moved that the Conference Committee report on H. F. No. 2317 be laid over until 10:00 a.m., Friday, April 20, 1984.

A roll call was requested and properly seconded.

The question was taken on the Norton motion and the roll was called. There were 65 yeas and 63 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Coleman	Kahn	Norton	Segal
Anderson, G.	Eken	Kalis	Osthoff	Shea
Anderson, R.	Ellingson	Kelly	Otis	Simoneau
Beard	Evans	Knuth	Pauly	Sparby
Bergstrom	Fjoslien	Kostohryz	Peterson	Tomlinson
Brandl	Graba	Larsen	Price	Tunheim
Brinkman	Greenfield	Long	Rice	Vanasek
Burger	Cruenes	Mann	Riveness	Vellenga
Carlson, L.	Gustafson	Minne	Rodosovich	Voss
Clark, J.	Heinitz	Munger	Rodriguez, C.	Welch
Clark, K.	Hoffman	Nelson, D.	Scheid	Wenzel
Clawson	Jacobs	Nelson, K.	Schoenfeld	Wynia
Cohen	Jensen	Neuenschwander	Seaberg	Speaker Sieben

Those who voted in the negative were:

Battaglia	Dempsey	Forsythe	Himle	Ludeman
Begich	DenOuden	Frerichs	Hokr	Marsh
Bennett	Dimler	Gutknecht	Jennings	McDonald
Bishop	Elioff	Halberg	Johnson	McEachern
Blatz	Erickson	Haukoos	Knickerbocker	McKasy
Boo	Findlay	Heap	Kvam	Metzen

Murphy	Piper	Sarna	Stadum	Waltman
O'Connor	Quist	Schafer	Sviggum	Welker
Ogren	Redalen	Schreiber	Swanson	Welle
Olsen	Reif	Shaver	Thiede	Wigley
Omann	Rodriguez, F.	Sherman	Uphus	Zaffke
Onnen	Rose	Skoglund	Valan	
Piepho	St. Onge	Solberg	Valento	

The motion prevailed.

MESSAGES FROM THE SENATE, Continued

The following message was received from the Senate:

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

S. F. No. 147.

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. 147

A bill for an act relating to retirement; employee and employer contributions to the Minnesota state retirement system; amending Minnesota Statutes 1982, section 352.92, subdivisions 1 and 2.

April 19, 1984

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. 147, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendment and that S. F. No. 147 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 3.85, is amended by adding a subdivision to read:

Subd. 11. [RULES FOR PENSION VALUATIONS AND COST ESTIMATES.] The commission shall by June 30, 1985, adopt rules prescribing specific detailed methods of calculating, evaluating, and displaying current and proposed law liabilities, costs, and actuarial equivalents of all public employee pension plans in Minnesota. These rules shall be consistent with the general direction prescribed in chapter 356.

There is appropriated from the general fund to the commission not to exceed \$75,000 in fiscal year 1985, and \$25,000 in each fiscal year thereafter for developing, implementing, and annually updating the rules adopted pursuant to this section.

Sec. 2. Minnesota Statutes 1982, section 3.85, is amended by adding a subdivision to read:

Subd. 12. [LEGISLATIVE COMMISSION ON PENSIONS AND RETIREMENT TO PREPARE VALUATIONS AND MAKE REPORTS TO LEGISLATURE.] (a) The legislative commission on pensions and retirement shall annually contract with an established actuarial consulting firm to conduct valuations and finance adequacy studies for the funds specified in (b). The contract shall also include provisions for performing cost analyses of proposals for changes in benefit and funding policies.

(b) The plans which the legislative commission on pension and retirement shall include in the contract for valuation and analysis are:

- (1) the Statewide Teachers Retirement Association;*
- (2) the General Plan, Minnesota State Retirement System;*
- (3) the Correctional Plan, Minnesota State Retirement System;*
- (4) the State Patrol Plan, Minnesota State Retirement System;*
- (5) the Judges Plan, Minnesota State Retirement System;*
- (6) the Minneapolis Employees Retirement Fund;*
- (7) the General Plan, Public Employees Retirement Association;*
- (8) the Police and Fire Plan, Public Employees Retirement Association;*

- (9) *the Duluth Teachers Retirement Association;*
- (10) *the Minneapolis Teachers Retirement Association;*
- (11) *the St. Paul Teachers Retirement Association; and*
- (12) *the Legislator's Retirement Plan.*

(c) *The annual contracts shall include the following objectives:*

(1) *Every year beginning in fiscal year 1986, the contract shall specify completion of standard valuations for the period ending June 30 of the preceding fiscal year with contents as described in section 356.215, subdivision 4; and cash flow forecasts through the amortization target date.*

(2) *Every four years, beginning in fiscal year 1986, the contract shall specify completion of an experience study for the four-year period ending June 30 of the preceding fiscal year. The experience study shall evaluate the appropriateness of continuing to use for future valuations the assumptions relating to: individual salary progression; rate of return on investments; payroll growth; mortality; withdrawal; disability; retirement; and any other experience-related factor that could impact the future financial condition of the retirement funds.*

(d) *The commission shall annually prepare a report to the legislature summarizing the results of the valuations and cash flow projections and shall include with its report recommendations concerning the appropriateness of the support rates to achieve proper funding of the retirement funds by the required funding dates. It shall also, within two months of the completion of the quadrennial experience studies, prepare a report to the legislature on the appropriateness of the valuation assumptions listed in paragraph (c), clause (2).*

(e) *Beginning with the fiscal year commencing July 1, 1985, there is annually appropriated to the commission \$400,000 for the purchase of actuarial consulting services to prepare annual valuations, cash flow forecasts, and cost analyses of benefit or funding proposals.*

(f) *There is appropriated quadrennially, beginning in fiscal year 1986, \$100,000 for the purchase of actuarial consulting services to perform the experience study described in paragraph (c), clause (2).*

Sec. 3. Minnesota Statutes 1983 Supplement, section 3A.03, subdivision 2, is amended to read:

Subd. 2. [REFUND.] (1) Any person who has made contributions pursuant to subdivision 1 who is no longer a member of the legislature is entitled to receive upon application to the director a refund of all contributions credited to the member's account with interest at the rate of (3-1/2) *five* percent per annum compounded annually (AFTER THE THIRD YEAR OF SERVICE).

(2) The refund of contributions as provided in clause (1) above terminates all rights of a former member of the legislature or his or her survivors under this chapter. Should the former member of the legislature again be a member of the legislature after having taken a refund as provided above, he or she shall be considered a new member. However, a new member may reinstate the rights and credit for service forfeited, provided the new member repays all refunds taken plus interest thereon at six percent per annum compounded annually.

(3) No person shall be required to apply for or accept a refund.

Sec. 4. Minnesota Statutes 1982, section 352.04, subdivision 2, is amended to read:

Subd. 2. [EMPLOYEE CONTRIBUTIONS.] The employee contribution to the fund shall be an amount equal to (3.46) *3.73* percent of salary, beginning with the first full pay period after (DECEMBER 31, 1981) *June 30, 1984*. These contributions shall be made by deduction from salary in the manner provided in subdivision 4.

Sec. 5. Minnesota Statutes 1982, section 352.04, subdivision 3, is amended to read:

Subd. 3. [EMPLOYER CONTRIBUTIONS.] The employer contribution to the fund shall be an amount equal to (THE TOTAL AMOUNT DEDUCTED FROM THE SALARIES OF EMPLOYEES ON EACH PAYROLL ABSTRACT, PLUS AN ADDITIONAL 1.58 PERCENT OF SALARY BEGINNING WITH THE FIRST FULL PAY PERIOD AFTER JULY 1, 1982. FOR THE PERIOD BEGINNING WITH THE FIRST FULL PAY PERIOD AFTER DECEMBER 31, 1981, AND ENDING WITH THE LAST FULL PAY PERIOD BEFORE JULY 1, 1982, THE CONTRIBUTION SHALL BE AN AMOUNT EQUAL TO 3.46 PERCENT OF SALARY PLUS AN ADDITIONAL 1.74 PERCENT OF SALARY. THE EMPLOYER CONTRIBUTION SHALL BE MADE IN THE MANNER PROVIDED IN SUBDIVISIONS 5 AND 6) *3.90 percent of salary beginning with the first full pay period after June 30, 1984*.

Sec. 6. 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. 7. 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. 8. Minnesota Statutes 1982, section 352.115, subdivision 1, is amended to read:

Subdivision 1. [AGE AND SERVICE REQUIREMENTS.] After separation from state service any employee (a) who has attained the age of at least (62) 55 years and who is entitled to credit for not less than ten years allowable service or (b) who has (ATTAINED THE AGE OF AT LEAST 58 YEARS AND WHO IS ENTITLED TO) *received* credit for not less than (20) 30 years allowable service *regardless of age* is entitled upon application to a retirement annuity.

Sec. 9. 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 SELECTED THE ANNUITY SHALL BEGIN TO ACCRUE 30 DAYS AFTER THE APPLICATION IS FILED WITH THE DIRECTOR), but in no event prior to the day following the termination of state service or prior to the day the employee is eligible to retire by reason of both age and service requirements. The retirement annuity shall cease with the last payment which had accrued to the retired employee during his lifetime unless he elected an optional annuity provided in section 352.116, subdivision 3, and he had become entitled to payment thereof. The joint and last survivor annuity shall cease with the last payment received by the survivor in his or her lifetime. If a retired employee had not selected an optional annuity, or a survivor annuity is not payable under the option, and a spouse survives, such spouse shall be entitled only to the annuity for the calendar month in which the retired employee died. If an optional annuity is payable after the death of the retired employee, the survivor shall be entitled to the annuity for the calendar month in which the retired employee died.

Sec. 10. Minnesota Statutes 1982, section 352.12, subdivision 1, is amended to read:

Subdivision 1. [DEATH BEFORE TERMINATION OF SERVICE.] If an employee dies before his state service has terminated and neither a survivor annuity nor a reversionary annuity is payable or if a former employee who has sufficient service credit to be entitled to an annuity dies before the benefit has become payable, the director shall make a refundment to his last designated beneficiary or, if there be none, to his surviving spouse or, if none, to the employee's surviving children in equal shares or, if none, to the employee's surviving parents in equal shares or, if none, to the representative of his estate in an amount equal to his accumulated contributions plus interest thereon to the date of death at the rate of (THREE AND ONE-HALF) five percent per annum compounded annually. In the event an employee dies who has received a refundment which he had subsequently repaid in full, interest shall be paid on such repaid refundment only from the date of repayment. If the repayment was made in installments, interest shall be paid only from the date installment payments began. The designated beneficiary, surviving spouse or representative of the estate of an employee who had received a disability benefit shall not be entitled to interest upon any balance remaining to his credit in the fund at the time of death.

Sec. 11. Minnesota Statutes 1982, section 352.12, subdivision 2, is amended to read:

Subd. 2. [SURVIVING SPOUSE BENEFIT.] If an employee or former employee who has attained the age of at least

(62) 55 years and has credit for not less than ten years allowable service (OR WHO HAS ATTAINED THE AGE OF AT LEAST 58 YEARS AND HAS CREDIT FOR NOT LESS THAN 20 YEARS ALLOWABLE SERVICE DIES BEFORE HIS STATE SERVICE HAS TERMINATED OR IF AN EMPLOYEE WHO HAS FILED A VALID APPLICATION FOR AN ANNUITY OR DISABILITY BENEFIT PRIOR TO THE TERMINATION OF HIS STATE SERVICE) or who has credit for not less than 30 years of allowable service, regardless of age attained, dies before (THE) an annuity or disability benefit has become payable, notwithstanding any designation of beneficiary to the contrary, his or her surviving spouse may elect to receive, in lieu of the (REFUNDMENT) refund with interest provided in subdivision 1, an annuity equal to the joint and (50) 100 percent survivor annuity which the employee could have qualified for had he (RETIRED) or she terminated service on the date of death (.). The annuity shall be computed as provided in section 352.115, subdivisions 1, 2, and 3, and section 352.116, subdivisions 1 and 3. The annuity shall cease with the last payment received by the surviving spouse in his or her lifetime. An amount equal to the excess, if any, of the accumulated contributions which were credited to the account of the deceased employee over and above the total of the benefits paid and payable to the surviving spouse shall be paid to the deceased employee's last designated beneficiary or, if none, to the surviving children of the deceased spouse in equal shares or, if none, to the surviving parents of the deceased spouse or, if none, to the representative of the estate of such deceased spouse. Any employee may request in writing that this subdivision not apply and that payment be made only to his designated beneficiary as otherwise provided by this chapter.

Sec. 12. Minnesota Statutes 1982, section 352.22, subdivision 2, is amended to read:

Subd. 2. [AMOUNT OF REFUNDMENT.] Except as provided in subdivision 3, any person who ceased to be a state employee after June 30, 1973, by reason of termination of state service shall receive a refundment in an amount equal to his accumulated contributions plus interest at the rate of (THREE AND ONE-HALF) five percent per annum compounded annually (ON DEDUCTIONS TAKEN AFTER THE THIRD YEAR OF COVERAGE EXCEPT THAT IF THE EMPLOYEE, DUE TO AGE, COULD NOT QUALIFY FOR AN ANNUITY UPON REACHING COMPULSORY RETIREMENT AGE HAD HE CONTINUED IN COVERED EMPLOYMENT, HE SHALL BE PAID INTEREST FROM THE DATE OF COVERAGE). Such interest shall be computed to the first day of the month in which the refund is processed and shall be based on fiscal year balances.

Sec. 13. Minnesota Statutes 1982, section 352.92, is amended to read:

352.92 [CORRECTIONAL EMPLOYEE CONTRIBUTIONS.]

Subdivision 1. [EMPLOYEE CONTRIBUTIONS.] Beginning with the first full pay period after July 1, (1982) 1984, in lieu of employee contributions payable under section 352.04, subdivision 2, contributions by covered correctional employees shall be in an amount equal to (4.50) 4.90 percent of salary. (FOR THE PERIOD BEGINNING WITH THE FIRST FULL PAY PERIOD AFTER DECEMBER 31, 1981, AND ENDING WITH THE LAST FULL PAY PERIOD BEFORE JULY 1, 1982, THE CONTRIBUTION SHALL BE IN AN AMOUNT EQUAL TO 3.78 PERCENT OF SALARY.)

Subd. 2. [EMPLOYER CONTRIBUTIONS.] Beginning with the first full pay period after July 1, (1982) 1984, in lieu of employer contributions payable under section 352.04, subdivision 3, the employer shall contribute for covered correctional employees ((1) an amount equal to (1-1/2 TIMES THE DEDUCTION FROM SALARIES OF COVERED CORRECTIONAL EMPLOYEES ON EACH PAYROLL ABSTRACT, PLUS (2) AN ADDITIONAL AMOUNT OF 1.32 PERCENT OF SALARIES OF COVERED CORRECTIONAL EMPLOYEES ON EACH PAYROLL ABSTRACT. FOR THE PERIOD BEGINNING WITH THE FIRST FULL PAY PERIOD AFTER DECEMBER 31, 1981, AND ENDING WITH THE LAST FULL PAY PERIOD BEFORE JULY 1, 1982, THE CONTRIBUTION SHALL BE AN AMOUNT EQUAL TO 5.66 PERCENT OF SALARIES OF COVERED CORRECTIONAL EMPLOYEES ON EACH PAYROLL ABSTRACT PLUS AN ADDITIONAL AMOUNT EQUAL TO 3.16 PERCENT OF SALARIES OF COVERED CORRECTIONAL EMPLOYEES ON EACH PAYROLL ABSTRACT) 8.70 percent of salary.

Sec. 14. Minnesota Statutes 1982, section 352.93, subdivision 2, is amended to read:

Subd. 2. The monthly annuity under this section shall be determined by multiplying the average monthly salary by the number of years, or completed months, of covered correctional service by 2.5 percent for the first (20) 25 years of correctional service and two percent for each year thereafter; provided however, the monthly annuity shall not exceed 75 percent of the average monthly salary.

Sec. 15. Minnesota Statutes 1982, section 352.93, subdivision 3, is amended to read:

Subd. 3. The annuity under this section shall begin to accrue as provided in section 352.115, subdivision 8, and shall be paid for an additional 84 full calendar months or to the first of the month following the month in which (HE) *the employee be-*

comes age 65, whichever occurs first, *except that in no event shall payment cease prior to the first of the month following the month in which the employee becomes 62*, and then be reduced to the amount as calculated under section 352.115, except that if this amount, when added to the social security benefit based on state service the employee is eligible to receive at such time, is less than the benefit payable under subdivision 2, the retired employee shall receive an amount that when added to such social security benefit will equal the amount payable under subdivision 2. When an annuity is reduced under this subdivision, the percentage adjustments, if any, that have been applied to the original annuity under section 11A.18, prior to the reduction, shall be compounded and applied to the reduced annuity. A former correctional employee employed by the state in a position covered by the regular plan between the ages of 58 and 65 shall receive a partial return of his correctional contributions at retirement with five percent interest based on the following formula:

Employee contributions contributed as a correctional employee in excess of the contributions such employee would have contributed as a regular employee	X	Years and complete months of regular service between ages 58 and 65
		7

Sec. 16. Minnesota Statutes 1982, section 352.95, subdivision 1a, is amended to read:

Subd. 1a. [OPTIONAL ANNUITY ELECTION.] A disabled correctional employee may elect 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 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 benefit begins to accrue as provided in subdivision 3 (, WHICHEVER OCCURS LATER). Upon becoming effective, the optional annuity shall begin to accrue on the same date as provided for the disability benefit.

Sec. 17. Minnesota Statutes 1983 Supplement, section 352B.-02, subdivision 1, is amended to read:

Subdivision 1. There is hereby established a state patrol retirement fund, the membership of which shall consist of all persons defined in section 352B.01, subdivision 2. Each member shall pay a sum equal to 8.5 percent of the member's salary. Member contribution amounts shall be deducted each pay period by the department head, who shall cause the total amount of the deduc-

tions to be paid to the state treasurer, and shall cause a detailed report of all deductions to be made each pay period to the executive director of the Minnesota state retirement system. In addition thereto, there shall be paid out of money appropriated to the departments for this purpose, by the department heads, a sum equal to (12) 18.9 percent of the salary upon which deductions were made (, AND A SUM EQUAL TO NINE PERCENT OF THE SALARIES UPON WHICH DEDUCTIONS WERE MADE FOR THE PURPOSE OF AMORTIZING THE ACTUARIAL DEFICIT OF THE FUND).

These amounts shall be credited to the state patrol retirement fund. All moneys received shall be deposited by the state treasurer in the state patrol retirement fund. Out of the fund shall be paid the administrative expenses of the retirement fund, and the benefits and annuities as hereinafter provided. The legislative auditor shall audit the fund and the executive director shall procure an actuarial study of the fund in accordance with chapter 356, the cost of which shall be borne by the fund.

Sec. 18. Minnesota Statutes 1983 Supplement, section 352B.11, subdivision 1, is amended to read:

Subdivision 1. [REFUND OF PAYMENTS.] Should any member who has not received other benefits under this chapter become separated, either voluntarily or involuntarily, from state service that entitled him or her to be a member, the member, or in the event of the member's death, the member's estate, shall be entitled to receive a refund of all payments which have been made by salary deductions *plus interest at the rate of five percent per annum compounded annually* upon application on a form prescribed by the executive director.

Sec. 19. Minnesota Statutes 1982, section 352B.11, subdivision 2, is amended to read:

Subd. 2. [DEATH; PAYMENT TO SPOUSE AND CHILDREN.] In the event any member serving actively as a member, a member receiving the disability benefit provided by section 352B.10, clause (1), or a former member receiving a disability benefit as provided by section 352B.10, clause (3) dies from any cause, the surviving spouse and dependent child or dependent children shall be entitled to benefit payments as follows:

(a) A member with at least ten years of allowable service or a former member with at least 20 years of allowable service is deemed to have elected a 100 percent joint and survivor annuity payable to a surviving spouse only on or after the date the member or former member attained or would have attained the age of 55.

(b) The surviving spouse of a member who had credit for less than ten years of service shall receive, for life, a monthly

annuity equal to 20 percent of that portion of the average monthly salary of the member from which deductions were made for retirement. If the surviving spouse remarries, the annuity shall cease as of the date of the remarriage.

(c) The surviving spouse of a member who had credit for at least ten years of service and who dies after attaining 55 years of age, may elect to receive a 100 percent joint and survivor annuity, for life, notwithstanding a subsequent remarriage, in lieu of the annuity prescribed in clause (b).

(d) The surviving spouse of any member who had credit for ten years or more and who was not 55 years of age at death, shall receive the benefit equal to 20 percent of the average monthly salary as described in clause (b) until the deceased member would have reached his or her 55th birthday, and beginning the first of the month following that date, may elect to receive the 100 percent joint and survivor annuity. If the surviving spouse remarries prior to the deceased member's 55th birthday, all benefits or annuities shall cease as of the date of remarriage. Remarriage subsequent to the deceased member's 55th birthday shall not affect the payment of the benefit.

(e) Each dependent child shall receive a monthly annuity equal to ten percent of that portion of the average monthly salary of the former member from which deductions were made for retirement. A dependent child over the age of 18 years and under the age of 22 years also may receive the monthly benefit provided herein, if the child is continuously attending an accredited school as a full time student during the normal school year as determined by the director. If the child does not continuously attend school but separates from full time attendance during any portion of a school year, the annuity shall cease at the end of the month of separation. In addition, a payment of \$20 per month shall be prorated equally to surviving dependent children when the former member is survived by one or more dependent children. Payments for the benefit of any qualified dependent child shall be made to the surviving spouse, or if there be none, to the legal guardian of the child. The maximum monthly benefit shall not exceed 40 percent of the average monthly salary for any number of children.

(f) If the member shall die under circumstances which entitle the surviving spouse and dependent children to receive benefits under the workers' compensation law, amounts equal to the workers' compensation benefits received by them shall not be deducted from the benefits payable pursuant to this section.

(g) The surviving spouse of a deceased former member who had credit for ten or more years of allowable service, but excluding the spouse of a former member receiving a disability benefit under the provisions of section 352B.10, clause (3), shall be entitled to receive the 100 percent joint and survivor

annuity at such time as the deceased member would have reached his or her 55th birthdate, provided the surviving spouse has not remarried prior to that date. In the event of the death of a former member who does not qualify for other benefits under this chapter, the surviving spouse or, if none, the children or heirs shall be entitled to receive a refund of the accumulated deductions left in the fund *plus interest at the rate of five percent per annum compounded annually.*

Sec. 20. Minnesota Statutes 1983 Supplement, section 352C.09, subdivision 2, is amended to read:

Subd. 2. (1) Any person who has made contributions pursuant to subdivision 1 who is no longer a constitutional officer or commissioner is entitled to receive upon application to the director a refund of all contributions credited to his or her account with interest at the rate of $(3-1/2)$ *five percent per annum compounded annually (AFTER THE THIRD YEAR OF SERVICE).*

(2) The refund of contributions as provided in clause (1) above terminates all rights of a former constitutional officer or commissioner or his or her survivors under the provisions of this chapter. Should the former constitutional officer or commissioner again hold such office after having taken a refund as provided above, he or she shall be considered a new member and may reinstate the rights and credit for service forfeited provided he or she repays all refunds previously taken plus interest at six percent per annum compounded annually.

(3) No person shall be required to apply for or accept a refund.

Sec. 21. Minnesota Statutes 1982, section 353.27, subdivision 3a, is amended to read:

Subd. 3a. [ADDITIONAL EMPLOYER CONTRIBUTION.] An additional employer contribution shall be made equal to (a) two and one-half percent of the total salary of each "basic member"; and (b) (ONE AND ONE-HALF) *one-quarter of one percent of the total salary of each "coordinated member."* These contributions shall be made from funds available to the employing subdivision by the means and in the manner provided in section 353.28.

Sec. 22. Minnesota Statutes 1982, section 353.30, subdivision 1c, is amended to read:

Subd. 1c. Any person *who has received credit for at least 30 years of allowable service or any person who has attained the age of at least (62) 55 years but not more than 65 years, and who received credit for at least ten years of allowable service is*

entitled upon application to a retirement annuity in an amount equal to the normal annuity provided in section 353.29, subdivisions 2 and 3, reduced by one-quarter of one percent for each month that the member is under age 65 at the time of retirement, *except that for any member who has 30 or more years of allowable service the reduction shall be applied only for each month that the member is under age 62 at the time of retirement.*

Sec. 23. Minnesota Statutes 1982, section 353.31, subdivision 1, is amended to read:

Subdivision 1. [BENEFITS FOR SURVIVING SPOUSE AND DEPENDENT CHILDREN; BEFORE RETIREMENT.] Upon the death of a (") basic member (") before retirement or upon the death of a (") basic member (") who was disabled and receiving disability benefits pursuant to section 353.33 at the time of death who has had at least 18 months of credited allowable service, the surviving spouse and dependent children of the member; as defined in section 353.01, subdivisions 15 and 20, shall be entitled to receive the monthly benefit provided below:

- | | |
|--------------------------|---|
| (a) Surviving spouse | (30) 50 percent of the member's monthly average salary in effect over the last full six months of allowable service preceding the month in which death occurred |
| (b) Each dependent child | 10 percent of the member's monthly average salary in effect over the last full six months of allowable service preceding the month in which death occurred |

Payments for the benefit of any dependent child, as defined in section 353.01, subdivision 15, shall be made to the surviving parent, or if there be none, to the legal guardian of the child. The maximum monthly benefit for a family shall not exceed (\$700) \$1,000, and the minimum benefit per family shall not be less than (30) 50 percent of the (") basic member's (") specified average *monthly* salary, subject to the aforementioned maximum. The surviving spouse benefit shall terminate upon the remarriage of the spouse, and the dependent children's benefit shall be reduced pro tanto when any child is no longer dependent.

Any survivor of a (") basic member (") whose average salary was less than \$75 per month shall not be entitled to the benefits provided in this subdivision. *Prior to payment of any survivor benefit pursuant to this subdivision, in lieu of that benefit, the surviving dependent spouse may elect to receive the joint and survivor annuity provided pursuant to section 353.32, subdivision 1a.*

Except for any benefits provided pursuant to section 353.32, subdivisions 1 and 1a, there are no survivor benefits payable to the surviving spouse or dependent children of a deceased ("") coordinated member ("").

Sec. 24. Minnesota Statutes 1983 Supplement, section 353.32, subdivision 1, is amended to read:

Subdivision 1. [BEFORE RETIREMENT.] If a member or former member who terminated public service dies before retirement or before he has received any retirement annuity and no other payment of any kind is or may become payable to any person, a refund shall be paid to his designated beneficiary or, if there be none, to his surviving spouse, or, if none, to the legal representative of his estate. Such refund shall be in an amount equal to his accumulated deductions plus interest thereon at the rate of (3-1/2) five percent per annum compounded annually less the sum of any disability or survivor benefits, if any, that may have been paid by the fund; provided that a survivor who has a right to benefits pursuant to section 353.31 may waive such benefits in writing, except such benefits for a dependent child under the age of 18 years may only be waived pursuant to an order of the district court.

Sec. 25. Minnesota Statutes 1982, section 353.32, subdivision 1a, is amended to read:

Subd. 1a. [SURVIVING SPOUSE OPTIONAL ANNUITY.] If a member or former member who has attained the age of at least (58) 55 years and has credit for not less than (20) ten years of allowable service, or (HAS ATTAINED THE AGE OF AT LEAST 62 YEARS AND) who has credit for not less than (10) 30 years of allowable service (, DIES BEFORE PUBLIC SERVICE HAS TERMINATED, OR IF AN EMPLOYEE WHO HAS FILED A VALID APPLICATION FOR AN ANNUITY OR DISABILITY BENEFIT PRIOR TO TERMINATION OF PUBLIC SERVICE), regardless of age attained, dies before the annuity or disability benefit has become payable, notwithstanding any designation of beneficiary to the contrary, the surviving spouse may elect to receive, in lieu of a refund with interest provided in subdivision 1, or survivor benefits otherwise payable pursuant to section 353.31, an annuity equal to the (50) 100 percent joint and survivor annuity which the member could have qualified for had the member terminated service on the date of death (.). The annuity shall be computed as provided in sections 353.29, subdivisions 2 and 3; and 353.30, subdivisions 1, 1a, 1b and 1c. No payment shall accrue beyond the end of the month in which entitlement to the annuity has terminated. An amount equal to the excess, if any, of the accumulated contributions which were credited to the account of the deceased employee over and above the total of the annuities paid and payable to the surviving spouse shall be paid to the deceased member's last desig-

nated beneficiary or, if none, to the legal representative of the estate of the deceased member. Any member may specify in writing that this subdivision shall not apply and that payment shall be made only to the designated beneficiary, as otherwise provided by this chapter.

Sec. 26. Minnesota Statutes 1982, section 353.33, subdivision 2, is amended to read:

Subd. 2. [APPLICATIONS; ACCRUAL OF BENEFITS.] Every claim or demand for a total and permanent disability benefit shall be initiated by written application in the manner and form prescribed by the executive director, filed in the office of the retirement association, showing compliance with the statutory conditions qualifying the applicant for a total and permanent disability benefit. A member or former member who became totally and permanently disabled during his period of membership may file his application for total and permanent disability benefits within three years next following termination of public service, but not thereafter. This benefit shall begin to accrue (90 DAYS) *the day* following the commencement of disability, 90 days preceding the filing of the application, or, if annual or sick leave is paid for more than the said 90 day period, from the date salary ceased whichever is later. No payment shall accrue beyond the end of the month in which entitlement has terminated. If the disabilitant dies prior to negotiating the check for the month in which death occurs, payment will be made to the surviving spouse, or if none, to the designated beneficiary, or if none, to the estate.

Sec. 27. Minnesota Statutes 1983 Supplement, section 353.34, subdivision 2, is amended to read:

Subd. 2. [REFUND (WITHOUT) WITH INTEREST.] Except as provided in subdivision 1, any person who ceases to be a public employee shall receive a refund in an amount equal to his accumulated deductions (WITHOUT INTEREST FOR THE FIRST THREE YEARS OF MEMBERSHIP AND THEREAFTER ACCUMULATED DEDUCTIONS) with interest to the first day of the month in which the refund is processed at the rate of (THREE AND ONE-HALF) *five* percent per annum compounded annually (AFTER THE THIRD YEAR OF MEMBERSHIP) based on fiscal year balances.

Sec. 28. Minnesota Statutes 1982, section 353.651, subdivision 3, is amended to read:

Subd. 3. [RETIREMENT ANNUITY FORMULA.] The average salary as defined in subdivision 2, multiplied by two and one-half percent per year of allowable service for the first (20) 25 years and two percent per year of allowable service

thereafter, shall determine the amount of the (" normal ") retirement annuity. If the member has earned allowable service for performing services other than those of a police officer or fire fighter, the annuity representing such service shall be computed in accordance with sections 353.29 and 353.30.

Sec. 29. Minnesota Statutes 1982, section 354.42, subdivision 5, is amended to read:

Subd. 5. *For the purpose of amortizing the unfunded entry-age normal liability an additional employer contribution shall be made in the amount of (3.05) 4.48 percent of the salary of each member (FOR THE PURPOSE OF AMORTIZING THE DEFICIT IN THE FUND). For the fiscal year ending June 30, 1985, the commissioner of finance shall increase allotments to state agencies having members covered by the teachers retirement association in an amount equal to 1.43 percent of the salaries of basic and coordinated plan members of the teachers' retirement fund.*

This contribution shall be made in the manner provided in section 354.43.

Sec. 30. Minnesota Statutes 1982, section 354.44, subdivision 6, is amended to read:

Subd. 6. [COMPUTATION OF FORMULA PROGRAM RETIREMENT ANNUITY.] (1) The formula retirement annuity hereunder shall be computed in accordance with the applicable provisions of the formula stated in clause (2) hereof on the basis of each member's average salary for the period of his formula service credit. For the purposes of computing the formula benefits under the formula and variable program, if a combination of these formulas is used, the formula percentages used will be those percentages in each formula as continued for the respective years of service from one formula to the next.

For all years of formula service credit "average salary" for the purpose of determining the member's retirement annuity means the average salary upon which contributions were made and upon which payments were made to increase the salary limitation provided in Minnesota Statutes 1971, Section 354.511 for the highest five successive years of formula service credit provided however that such "average salary" shall not include any more than the equivalent of 60 monthly salary payments.

(2) The average salary as defined in clause (1), multiplied by the following percentages per year of formula service credit shall determine the amount of the annuity to which the member qualifying therefor is entitled:

	Coordinated Member	Basic Member
Each year of service during first ten	1.0 percent per year	2.0 percent per year
Each year of service thereafter	1.5 percent per year	2.5 percent per year

(3) Where any member retires prior to age 65 under a formula annuity, (HE) *the member* shall be paid a retirement annuity in an amount equal to the normal annuity provided in this subdivision and subdivision 7, reduced by one-half of one percent for each month that the member is under age 65 to and including age 60 and reduced by one-fourth of one percent for each month under age (60) 65 at the time of retirement except that for any member who has 30 or more years of allowable service credit, the reduction shall be applied only for each month which the member is under age 62.

Sec. 31. Minnesota Statutes 1982, section 354.46, subdivision 1, is amended to read:

Subdivision 1. [BASIC PROGRAM; BENEFITS FOR SPOUSE AND CHILDREN OF TEACHER.] If a basic member who has at least 18 months of allowable service credit and who has an average salary as defined in section 354.44, subdivision 6 equal to or greater than \$75 dies prior to retirement or if a former basic member who, at the time of death, was totally and permanently disabled and receiving disability benefits pursuant to section 354.48 dies prior to attaining the age of 65 years, the surviving dependent spouse and dependent children of the basic member or former basic member shall be entitled to receive a monthly benefit as follows:

(a) Surviving dependent spouse (30) 50 percent of the basic member's monthly average salary paid in the last full fiscal year preceding death

(b) Each dependent child ten percent of the basic member's monthly average salary paid in the last full fiscal year preceding death

Payments for the benefit of any dependent child under the age of 22 years shall be made to the surviving parent, or if there be none, to the legal guardian of the child. The maximum monthly benefit shall not exceed (\$700) \$1,000 for any one family, and the minimum benefit per family shall not be less than (30) 50 percent of the basic member's average salary, subject to the foregoing maximum. The surviving dependent spouse benefit shall

terminate upon remarriage, and the surviving dependent children's benefit shall be reduced pro tanto when any surviving child is no longer dependent.

If the basic member and the surviving dependent spouse are killed in a common disaster and if the total of all survivors benefits payable pursuant to this subdivision is less than the accumulated deductions plus interest payable, the surviving dependent children shall receive the difference in a lump sum payment.

If the survivor benefits provided in this subdivision exceed in total the monthly average salary of the deceased basic member, these benefits shall be reduced to an amount equal to the deceased basic member's monthly average salary.

Prior to payment of any survivor benefit pursuant to this subdivision, in lieu of that benefit, the surviving dependent spouse may elect to receive the joint and survivor annuity provided pursuant to subdivision 2, or may elect to receive a refund of accumulated deductions with interest in a lump sum as provided pursuant to sections 354.47, subdivision 1 or 354.62, subdivision 5, clause (3). If there are any surviving dependent children, the surviving dependent spouse may elect to receive the refund of accumulated deductions only with the consent of the district court of the district in which the surviving dependent child or children reside.

Sec. 32. Minnesota Statutes 1982, section 354.46, subdivision 2, is amended to read:

Subd. 2. [DEATH WHILE ELIGIBLE DESIGNATED BENEFICIARY BENEFIT.] The surviving spouse of any member or former member who has attained the age of at least 55 years and has credit for at least (20) ten years of allowable service or who has credit for at least 30 years of allowable service irrespective of age shall be entitled to joint and survivor annuity coverage in the event of death of the member prior to retirement. If the surviving spouse does not elect to receive a surviving spouse benefit provided pursuant to subdivision 1, if applicable, or does not elect to receive a refund of accumulated member contributions provided pursuant to sections 354.47, subdivision 1, or 354.62, subdivision 5, clause (3), whichever is applicable, the surviving spouse shall be entitled to receive, upon written application on a form prescribed by the executive director, a benefit equal to the second portion of a 100 percent joint and survivor annuity as provided pursuant to section 354.45 and computed pursuant to section 354.44, subdivisions 2, 6 or 7, whichever is applicable. If the member was a participant in the variable annuity division, the applicable portion of the benefit shall be computed pursuant to section 354.62, subdivision 5, clause (1). The benefit shall be payable for life.

Sec. 33. Minnesota Statutes 1982, section 354.47, subdivision 1, is amended to read:

Subdivision 1. [DEATH BEFORE RETIREMENT.] (1) If a member dies before retirement and is covered pursuant to the provisions of section 354.44, subdivision 2, and neither an optional annuity, nor a reversionary annuity, nor a benefit pursuant to section 354.46, subdivision 1 is payable to the survivors if the member was a basic member, the surviving spouse, or if there is no surviving spouse, the designated beneficiary shall be entitled to an amount equal to the member's accumulated deductions with interest credited to the account of the member to the date of death.

(2) If a member dies before retirement and is covered pursuant to the provisions of section 354.44, subdivisions 6 and 7, and neither an optional annuity, nor reversionary annuity, nor the benefit described in section 354.46, subdivision 1 is payable to the survivors if the member was a basic member, the surviving spouse, or if there is no surviving spouse, the designated beneficiary shall be entitled to an amount equal to the member's accumulated deductions credited to the account of the member as of June 30, 1957 and from July 1, 1957 to the date of death the member's accumulated deductions plus interest at the rate of (3-1/2) five percent per annum compounded annually.

(3) The amounts payable in clause (1) or clause (2) are in addition to the amount payable in section 354.62, subdivision 5, for the member's variable annuity account.

Sec. 34. Minnesota Statutes 1982, section 354.48, subdivision 2, is amended to read:

Subd. 2. [APPLICATIONS.] Any person described in subdivision 1 may make application for a total and permanent disability benefit within 18 months following termination of teaching service but not thereafter. This benefit shall begin to accrue (90 DAYS) *the day* following the commencement of disability or the day following the date on which salary ceases, whichever is later, but shall not begin to accrue more than 90 days prior to the date the application is filed with the board. If salary is being received for either annual or sick leave during the period, payments shall accrue from the date salary ceases.

Sec. 35. Minnesota Statutes 1982, section 354.48, subdivision 3a, is amended to read:

Subd. 3a. [OPTIONAL ANNUITY ELECTION.] A disabled member may elect to receive the normal disability benefit or an optional annuity as provided in section 354.45, subdivision 1. The election of an optional annuity shall be made prior to

commencement of payment of the disability benefit and shall be effective (30 DAYS AFTER RECEIPT OF THE ELECTION OR) *and shall begin to accrue on the same date (ON WHICH) the disability benefit begins to accrue (, WHICHEVER OCCURS LATER. UPON BECOMING EFFECTIVE, THE OPTIONAL ANNUITY SHALL BEGIN TO ACCRUE ON THE SAME DATE AS PROVIDED FOR THE DISABILITY BENEFIT).*

Sec. 36. Minnesota Statutes 1982, section 354.49, subdivision 2, is amended to read:

Subd. 2. Except as provided in section 354.44, subdivision 1, any person who ceases to be a member by reason of termination of teaching service, shall receive a refund in an amount equal to his accumulated deductions (WITHOUT) *with interest at the rate of five percent per annum compounded annually* plus any variable annuity account accumulations payable pursuant to section 354.62, subdivision 5, clause (4).

Sec. 37. Minnesota Statutes 1982, section 354.49, subdivision 3, is amended to read:

Subd. 3. Any person who has attained the age of at least 65 with less than ten years of credited allowable service shall be entitled to receive a refund in an amount equal to his accumulated deductions plus interest in lieu of a proportionate annuity pursuant to section 356.32 except those covered under the provisions of section 354.44, subdivisions 6 or 7 in which case the refund shall be an amount equal to his accumulated deductions credited to his account as of June 30, 1957 and after July 1, 1957 his accumulated deductions plus interest at the rate of (THREE AND ONE-HALF) *five percent compounded annually.*

Sec. 38. Minnesota Statutes 1982, section 354.62, subdivision 5, is amended to read:

Subd. 5. [VARIABLE RETIREMENT ANNUITY.] (1) At retirement the amount of the member's variable account accumulation in the employee variable annuity contribution account, based on the valuation at the previous fiscal year end plus any contributions made by the person since the end of the previous fiscal year, and an equal amount from the employer variable annuity contribution account shall be transferred to the variable annuity reserve account, and the variable retirement annuity for the member shall be determined by the member's age, and sex, and the amount transferred for the member to the variable annuity reserve account at the date of retirement. The amount of the annuity shall be calculated on the basis of an appropriate annuity table of mortality with an interest assumption (AS PROVIDED IN SECTION 354.07, SUBDIVISION 1) *of eight percent, except that if the member elects to have the ac-*

cumulation transferred to the Minnesota postretirement investment fund as authorized by clause (8), the annuity shall be calculated with an interest assumption of five percent.

(2) Whenever the admitted value of the annuity reserve account of the variable annuity division, as of June 30 of any year, exceeds or is less than the then present value of all variable annuities in force, determined in accordance with the rate of interest and approved actuarial tables then in effect, by at least two percent of the present value, the amount of each variable annuity payment shall be proportionately increased or decreased for the following year.

(3) The death benefit payable in the event of a member's death prior to retirement shall be a lump sum refund of a member's variable account accumulation, based on the valuation at the previous fiscal year end plus any contributions made by the person since the end of the previous fiscal year, to the surviving spouse, or if there is no surviving spouse to the designated beneficiary. Except that if a member has made an election in accordance with section 354.46, then the surviving spouse shall receive a joint and survivor annuity as described in section 354.44 and computed as provided in clause (1). An amount equal to the lump sum refund made in this clause shall be transferred from the employer contribution account to the variable annuity turnover account.

(4) Except as provided in section 354.44, subdivision 7, any person who ceases to be a member by reason of termination of teaching service, shall be entitled to a lump sum refundment of the member's variable account accumulations, based on the valuation at the previous fiscal year end plus any contributions made by the person since the end of the previous fiscal year. Application for a refundment may be made no sooner than 30 days after termination of teaching service if the applicant has not again become a teacher. Repayment of a refundment upon resumption of teaching is not permitted under this section. An amount equal to the refundment to the member shall be transferred from the employer contribution account to the variable annuity turnover account.

(5) If a member is determined to be totally and permanently disabled as provided in sections 354.05, subdivision 14; and 354.48, the member shall be entitled to the annuity provided in this subdivision.

(6) Those members eligible for retirement as provided in section 354.44, subdivision 1 shall upon application for the annuity provided therein be entitled to the annuity provided in this subdivision. The annuity elected in accordance with sections 354.44, and 354.45 shall be the annuity applicable to this subdivision.

(7) Notwithstanding section 356.18, increases in annuity payments pursuant to this section shall be made automatically unless written notice is filed by the annuitant with the teachers retirement association board requesting that the increase not be made.

(8) At retirement, a member may elect to have the amount of the member's variable annuity accumulation in the employee variable annuity contribution account and an equal amount from the employer variable annuity contribution account transferred to the Minnesota post-retirement investment fund as provided in section 354.63, subdivision 2, clause (2). This election may also be made by a surviving spouse who receives an annuity under clause (3) of this subdivision. The election shall be made on a form provided by the executive secretary.

Sec. 39. Minnesota Statutes 1982, section 354A.23, is amended by adding a subdivision to read:

Subd. 3. Notwithstanding anything to the contrary in the articles and bylaws of the basic programs enumerated in chapter 354A, the payment of interest on refunds and interest on repayment of refunds shall be computed in the same manner as for the coordinated programs covered by chapter 354A.

Sec. 40. Minnesota Statutes 1982, section 354A.37, subdivision 3, is amended to read:

Subd. 3. [COMPUTATION OF REFUND AMOUNT.] A former coordinated member who qualifies for a refund pursuant to subdivision 1 shall receive a refund equal to the amount of the former coordinated member's accumulated contributions (WITHOUT) *with interest at the rate of five percent per annum compounded annually.*

Sec. 41. Minnesota Statutes 1982, section 354A.37, subdivision 4, is amended to read:

Subd. 4. [CERTAIN REFUNDS AT AGE 65.] Any coordinated member who has attained the age of at least 65 with less than ten years of allowable service credit and has terminated active teaching service shall be entitled to a refund in lieu of a proportionate annuity pursuant to section 356.32. The refund shall be equal to the coordinated member's accumulated employee contributions plus interest at the rate of (3-1/2) *five percent compounded annually.*

Sec. 42. Minnesota Statutes 1982, section 356.20, subdivision 4, is amended to read:

Subd. 4. [CONTENTS OF FINANCIAL REPORT.] Each financial report required by this section shall include:

(1) An exhibit prepared according to applicable actuarial standards enumerated in section 356.215, and specified in rules adopted by the legislative commission on pensions and retirement by an approved actuary as defined in section 356.215, subdivision 6 showing the accrued assets of the fund, the accrued liabilities, including accrued reserves, and the accrued unfunded liability of the fund. The exhibit shall contain the certificate of an approved actuary certifying that the required reserves for any benefits provided under a benefit formula are computed in accordance with the Entry Age Normal Cost (Level Normal Cost) actuarial method and rules adopted by the legislative commission on pensions and retirement.

(a) Assets shown in the exhibit shall include the following items of actual assets:

Cash in office

Deposits in banks

Accounts receivable

Accrued members' contributions

Accrued employer contributions

Other

Accrued interest on investments

Dividends on stocks, declared but not yet received

Investment in bonds at amortized cost

Investment in stocks at cost

Investment in real estate

Equipment at cost, less depreciation

Other

Total assets

(b) The exhibit shall include a statement of the unfunded accrued liability of the fund. If the assets of the fund exceed the liabilities, the excess shall be listed as surplus and indicated in the exhibit following the item of reserves.

(c) The exhibit shall include a footnote showing accumulated member contributions without interest.

(d) Current liabilities shown in the exhibit shall include the following items:

Current:

Accounts payable

Annuity payments

Survivor benefit payments

Refund to members

Accrued expenses

Suspense items

Total current liabilities

(e) The exhibit shall include an item for accrued necessary reserves which shall be listed as "total reserves required as per attached schedule." The attached schedule shall contain the owing information on the reserves required:

1. For active members
 - a. Retirement benefits
 - b. Disability benefits
 - c. Refund liability due to death or withdrawal
 - d. Survivors' benefits
2. For deferred annuitants
3. For former members without vested rights
4. For annuitants
 - a. Retirement
 - b. Disability annuities
 - c. Surviving spouses' annuities
 - d. Surviving children's annuities

5. In addition to the foregoing, if there are additional benefits not appropriately covered by the foregoing four items of reserves required, they shall be listed separately.

(2) An income statement on an accrual basis showing all income and all deductions from income for the fiscal year. The statement shall show separate items for employee contributions, employer regular contributions, employer additional contributions if provided by law, investment income, profit on the sale of investments, and other income, if any.

(3) A statement of deductions from income, which shall include separate items for benefit payments, retirement benefits, disability benefits, surviving spouse benefits, surviving children's benefits, refunds to members terminating employment, refunds due to death of members and due to death of annuitants, the increase in total reserves required, general administrative expense incurred, loss on sale of investments, and any other deductions.

(4) A statement showing appropriate statistics as to membership and beneficiaries of the fund, with indications of changes in the statistical data which may result from the current year's operation.

(5) Any additional statements or exhibits which will enable the management of the fund to portray a true interpretation of the fund's financial condition, except that the term "surplus" or the term "excess of assets" shall not be used except as otherwise specifically provided for in this section, nor shall any representation of assets and liabilities other than as provided for in this section be included in the additional statements or exhibits.

(6) A more detailed or subdivided itemization of any of the items required by this section, if the management of the fund so desires.

Sec. 43. Minnesota Statutes 1982, section 356.215, subdivision 4, is amended to read:

Subd. 4. [ACTUARIAL VALUATIONS; CONTENTS.] Actuarial valuations shall be made in conformity with the requirements of the definition contained in subdivision 1 *and rules adopted by the legislative commission on pensions and retirement*. Each actuarial valuation shall measure all aspects of the fund in accordance with changes in benefit plans, if any, and salaries as will be in force during the ensuing fiscal year. Each actuarial valuation shall be in accordance with the entry age normal cost (level normal cost) method.

Each actuarial valuation required under this section shall include:

(1) For each fund providing any benefits under a benefit formula, the level normal cost of the benefits provided by the

laws governing the fund as of the date of the valuation, computed in accordance with the entry age normal cost (level normal cost) method. The normal cost shall be expressed as a level percentage of the future payroll of the active participants of the fund as of the date of the valuation.

(2) The accrued liabilities of the fund which shall be equal to the present value of all benefits minus the present value of future normal costs calculated in accordance with the entry age normal cost method.

(3) For each fund providing benefits under the money purchase or defined contribution method, the member contributions accumulated at interest, as apportioned to members accounts, to the date of the valuation. These accumulations shall be separately tabulated in such manner as to reflect properly any differences in money purchase or defined contribution annuity rates which may apply.

(4) (AN) *For funds governed by chapters 3A, 352, 352B, 352C, 353, 354, 354A, and 490, a preretirement interest assumption of (FIVE) eight percent, a post-retirement interest assumption of five percent, and an assumption that in each future year the salary on which a retirement or other benefit is based is (1.035) 1.065 multiplied by the salary for the preceding year. For all other funds, a preretirement interest assumption of five percent, a post-retirement interest assumption of five percent, and an assumption that in each future year the salary on which a retirement or other benefit is based is 1.035 multiplied by the salary for the preceding year.*

(5) Other assumptions as to mortality, disability, retirement, withdrawal, entry age and retirement age (THAT ARE APPROPRIATE TO THE FUND, WHICH SHALL BE) set (FORTH IN THE VALUATION REPORT) *at levels consistent with those determined in the most recent experience study completed pursuant to section 356.215, subdivision 5, and set forth in the valuation report.*

(6) An actuarial balance sheet showing (ACCRUED ASSETS, ACCRUED LIABILITIES, AND THE DEFICIT FROM FULL FUNDING OF LIABILITIES (UNFUNDED ACCRUED LIABILITY). THE ACCRUED LIABILITIES SHALL INCLUDE THE FOLLOWING REQUIRED RESERVES:)

((A) FOR ACTIVE MEMBERS)

(1. RETIREMENT BENEFITS)

(2. DISABILITY BENEFITS)

(3. REFUND LIABILITY DUE TO DEATH OR WITHDRAWAL)

(4. SURVIVORS' BENEFITS)

((B) FOR DEFERRED ANNUITANTS' BENEFITS)

((C) FOR FORMER MEMBERS WITHOUT VESTED RIGHTS)

((D) FOR ANNUITANTS)

(1. RETIREMENT ANNUITIES)

(2. DISABILITY ANNUITIES)

(3. SURVIVING SPOUSES' ANNUITIES)

(4. SURVIVING CHILDREN'S ANNUITIES)

current and expected future benefit obligations, current and expected future assets, and the current and expected future unfunded liabilities. Specifically, the balance sheet shall be organized in the following manner:

[CURRENT AND EXPECTED FUTURE ASSETS]

Current Assets

Cash and equivalents \$

Fixed income investments

Equity investments

Total Current Assets \$

Expected Future Assets

Present value of expected future supplemental contributions

Present value of future normal costs

Total Expected Future Assets \$

Total Current and Expected Future Assets \$

**[CURRENT AND EXPECTED FUTURE BENEFIT
OBLIGATIONS]**

Current Benefit Obligations

*Actuarial value of benefit obligations on
account of service rendered to date:*

For annuitants

Retirement annuities \$

Disability annuities

Surviving spouses' annuities

Surviving children's annuities

For former members without vested rights

For deferred annuitants' benefits

For active employees

Retirement benefits

Disability benefits

*Refund liability due to death
or withdrawal*

Survivors' benefits

*Total Current Benefit
Obligations* \$

Expected Future Benefit Obligations

*Actuarial value of benefit obligations on
account of future service for active
employees*

*Total Current and Expected Future
Benefit Obligations* \$

Current Unfunded Liability

*(Total Current Benefit Obligations less
Total Current Assets):* \$

Current and Future Unfunded Liability

*(Total Current and Expected Future Benefit
Obligations less
Total Current and Expected Future Assets):* \$

For the purpose of this subdivision, the terms

(a) *“expected future statutory supplemental contributions” means the sum of future employee and employer contributions at the rates specified in statute at the time the valuation is completed reduced by the present value of future normal costs; and*

(b) *“current assets” means the value of all assets at cost, plus one-third of any unrealized capital gains or losses, plus realized income, including realized capital gains or losses.*

In addition to the above (REQUIRED RESERVES) *itemization of benefit obligations*, separate items shall be shown for additional benefits, if any, which may not be appropriately included in the (RESERVES LISTED) *list shown above.*

(7) In addition to the level normal cost, the additional annual contribution which would be required to retire the current unfunded accrued liability. *For funds governed by chapters 3A, 352, 352B, 352C, 353, 354, 354A, and 490, the additional contribution shall be calculated on a level (DOLLAR BASIS BY THE ESTABLISHED DATE FOR FULL FUNDING WHICH IS IN EFFECT AT THE TIME OF THE VALUATION) percent basis by the established date for full funding which is in effect at the time of the valuation. The level percent additional contribution shall be calculated assuming annual payroll growth of 6.5 percent. For all other funds, the additional annual contribution shall be calculated on a level dollar basis.*

If, after the first actuarial valuation date occurring after June 1, 1979, there has not been a change in any or all of the actuarial assumptions used for calculating the accrued liability of the fund, a change in the benefit plan governing annuities and benefits payable from the fund; a change in the actuarial cost method used in calculating the accrued liability of all or a portion of the fund, or a combination of the three, which change or changes by themselves without inclusion of any other items of increase or decrease produce a net increase in the unfunded accrued liability of the fund, the established date for full funding for the first actuarial valuation made after June 1, 1979 and each successive actuarial valuation shall be the first actuarial valuation date which occurs after June 1, 2009.

If after the first actuarial valuation date occurring after June 1, 1979, there has been a change in any or all of the actuarial assumptions used for calculating the accrued liability of the fund, a change in the benefit plan governing annuities and benefits payable from the fund, a change in the actuarial cost method used in calculating the accrued liability of all or a portion of the fund, or a combination of the three, which change or changes by themselves without inclusion of any other items of increase or decrease produce a net increase in the unfunded accrued liability in

the fund, the established date for full funding shall be determined using the following procedure:

(i) The unfunded accrued liability of the fund shall be determined in accordance with the plan provisions governing annuities and retirement benefits and the actuarial assumptions in effect prior to an applicable change;

(ii) The level annual dollar contribution *or level percentage, whichever is applicable, which is needed to amortize the unfunded accrued liability amount determined pursuant to subclause (i) by the established date for full funding in effect prior to the change shall be calculated using the interest assumption specified in clause (4) in effect prior to the change;*

(iii) The unfunded accrued liability of the fund shall be determined in accordance with any new plan provisions governing annuities and benefits payable from the fund and any new actuarial assumptions and the remaining plan provisions governing annuities and benefits payable from the fund and actuarial assumptions in effect prior to the change;

(iv) The level annual dollar contribution *or level percentage, whichever is applicable, which is needed to amortize the difference between the unfunded accrued liability amount calculated pursuant to subclause (i) and the unfunded accrued liability amount calculated pursuant to subclause (iii) over a period of 30 years from the end of the plan year in which the applicable change is effective shall be calculated using the interest assumption specified in clause (4) in effect subsequent to any applicable change;*

(v) The level annual dollar *or level percentage* amortization contribution pursuant to subclause (iv) shall be added to the level annual dollar amortization contribution *or level percentage* calculated pursuant to subclause (ii);

(vi) The period in which the unfunded accrued liability amount determined in subclause (iii) will be amortized by the total level annual dollar *or level percentage* amortization contribution computed pursuant to subclause (v) shall be calculated using the interest assumption specified in clause (4) in effect subsequent to any applicable change, rounded to the nearest integral number of years, but which shall not exceed a period of 30 years from the end of the plan year in which the determination of the established date for full funding using the procedure set forth in this clause is made and which shall not be less than the period of years beginning in the plan year in which the determination of the established date for full funding using the procedure set forth in this clause is made and ending by the date for full funding in effect prior to the change; and

(vii) The period determined pursuant to subclause (vi) shall be added to the date as of which the actuarial valuation was prepared and the date obtained shall be the new established date for full funding.

((8) AN ACTUARIAL BALANCE SHEET SHALL NOT INCLUDE AS AN ASSET THE PRESENT VALUE OF THE CONTRIBUTIONS REQUIRED UNDER CLAUSE (7).)

((9)) (8) An analysis by the actuary explaining the increase or decrease in the unfunded accrued liability since the last valuation. The explanation shall subdivide the increase or decrease in unfunded accrued liability into at least the following parts:

(a) Increases or decreases in unfunded accrued liability because of changes in benefits;

(b) Increases and decreases in unfunded accrued liability because of each change, if any, in actuarial assumptions;

(c) Actuarial gains or losses resulting from any deviations of actual investment earnings, actual mortality rates, actual salary increase rates, actual disability rates, actual withdrawal rates and actual retirement rates from the assumptions on which the valuations are based;

(d) Increases or decreases in unfunded accrued liability because of other reasons, including the effect of the amortization contribution required under clause (7); and

(e) Increases or decreases in unfunded accrued liability because of changes in eligibility requirements or groups included in the membership of the fund.

((10)) (9) A tabulation of active membership and annuitants in the fund. If the membership of a fund is under more than one general benefit program, a separate tabulation shall be made for each general benefit program. The tabulations shall be submitted in the following form:

Annual

(a) Active members

Number Payroll

As of last valuation date
new entrants

Total

Separations from active service

Refund of contributions

Separation with deferred annuity

Separation with neither refund
nor deferred annuity

Disability

Death

Retirement with service annuity

Total separations

As of current valuation date

(b) Annuitants

Annual Annuity
Number Benefit

As of last valuation date

New entrants

Total

Terminations

Deaths

Other

Total terminations

As of current valuation date

The tabulation required under subclause (b) shall be made separately for each of the following classes of annuitants:

- (a) Service retirement annuitants
- (b) Disabled annuitants
- (c) Surviving spouse annuitants
- (d) Surviving children annuitants
- (e) Deferred annuitants

((11)) (10) A statement of the administrative expenses in dollars and also as a percentage of covered payroll.

((12)) (11) A summary of the principal provisions of the plan upon which the valuation is based.

Sec. 44. [356.70] [EARLY RETIREMENT.]

Subdivision 1. [COMBINED AGE AND SERVICE REQUIREMENT.] Any member of a retirement plan established pursuant to chapters 352, 353, 354, or 354A who has attained the age of at least 55 years and whose attained age plus credited allowable service totals 85, is entitled, upon application prior to December 31, 1986, to the normal retirement annuity provided in these chapters without any reduction in annuity by reason of such early retirement.

Subd. 2. [REPORTS.] The retirement associations to which this section applies shall request and the employing units of members retiring under the provisions of this section shall provide to the retirement association information on the salary, retirement contributions, and social security contributions paid by the employing unit to individuals filling the position vacated by the retiree. The employing unit shall also provide information on net savings, if any, made possible by the provisions of this section.

The retirement associations shall prepare reports to the legislature summarizing this information and other information in its possession relating to characteristics of retirees retiring under the provisions of this section including:

- (a) age at time of retirement;*
- (b) years of service;*
- (c) salary at time of retirement;*
- (d) high-five average salary used to determine the retirement annuity; and*
- (e) monthly benefit.*

The reports shall be made to the legislature within 30 days following the end of calendar years 1984, 1985, and 1986 and shall cover all retirees retiring under the provisions of this section.

Sec. 45. Laws 1983, chapter 301, section 225, subdivision 1, is amended to read:

Subdivision 1. [REIMBURSEMENT REQUIRED.] Any public employee or official (WHO RETIRES FROM JANUARY 1, 1983 TO JUNE 30, 1985, 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) between October 1 and October 15, 1984, except that refunds to employees or officials retiring or terminating service prior to October 1, 1984, shall be paid at the same time as the first annuity payment or within 90 days after termination, as the case may be. The amount of the reimbursement is the amount that the employee's or official's contributions 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.

Sec. 46. Laws 1983, chapter 301, section 225, is amended by adding a subdivision to read:

Subd. 1a. [CREDIT REQUIRED.] The executive director of the Minnesota state retirement system shall credit to the share account in the supplemental retirement fund of any participant in the unclassified employees program established by Minnesota Statutes, chapter 352D, 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 sufficient to make the credits required by this subdivision are appropriated from the general fund to the executive director.

Sec. 47. [COMMISSIONER OF FINANCE TO REDUCE ALLOTMENTS.]

The commissioner of finance shall reduce the fiscal year 1985 allotments to any agencies or institutions receiving a state appropriation pursuant to Laws 1983, chapters 258, 293, 301, or 312 and having employees contributing to the public employees retirement association, state employees retirement fund, the correctional employees retirement fund, and the highway patrol retirement fund. The reduction shall be in an amount equal to the estimated fiscal year 1985 salaries of members of these plans multiplied by the differences between the employer contribution rate in effect prior to July 1, 1984, and the employer rate in effect after June 30, 1984.

Sec. 48. [ANNUAL APPROPRIATION.]

There is appropriated and transferred from the general fund to the commissioner of finance, \$1,000,000 annually for distribution among those local police and salaried firefighters relief associations that receive amortization state aid according to Minnesota Statutes, section 423A.02. Distribution shall be made according to that proportion the unfunded accrued liability of each relief association bears to the total unfunded accrued liabilities of all relief associations as reported in the most recent actuarial valuations of the relief associations that receive amortization state aid according to section 423A.02. Moneys shall be distributed to the relief associations at the same time fire and police department state aid is distributed according to section 69.021.

Sec. 49. Laws 1983, chapter 314, article 12, section 1, subdivision 2, is amended to read:

Subd. 2. [TEACHERS RETIREMENT ASSOCIATION: TEACHERS STATEWIDE.] To the teachers retirement association, to meet the state's obligation prescribed in Minnesota Statutes, section 354.43, there is appropriated:

\$87,508,200 1984,

\$ (92,137,200) 104,476,000 1985.

Sec. 50. [TEACHERS RETIREMENT ASSOCIATION FUNDING.]

There is appropriated to the commissioner of finance from the general fund \$1,965,000 for the purpose of meeting the increased contribution requirements for the teacher's retirement fund necessitated by the passage of section 29, during the fiscal year commencing July 1, 1984.

Sec. 51. [REPEALER.]

Minnesota Statutes 1982, sections 352.022; 353.38; and 354.07, subdivision 8; and Laws 1983, chapter 301, section 225, subdivision 2, are repealed.

Sec. 52. [EFFECTIVE DATES.]

Sections 1 through 5, 10, 12, 13, 17 through 21, 24, 27, 29, 33, 36, 37, 39 through 41, and 47 through 50 are effective July 1, 1984. The remaining sections are effective the day following final enactment. The provisions of section 43 are applicable to all valuations performed beginning with the valuations for the fiscal year ending June 30, 1984."

Delete the title and insert:

"A bill for an act relating to retirement; making various changes in benefits, contributions, and financing in laws governing various public pension funds; directing reimbursement or credit of certain public pension contributions; appropriating funds; amending Minnesota Statutes 1982, sections 3.85, by adding subdivisions; 352.04, subdivisions 2 and 3; 352.113, subdivision 3; 352.115, subdivision 1; 352.12, subdivisions 1 and 2; 352.22, subdivision 2; 352.92; 352.93, subdivisions 2 and 3; 352.95, subdivision 1a; 352B.11, subdivision 2; 353.27, subdivision 3a; 353.30, subdivision 1c; 353.31, subdivision 1; 353.32, subdivision 1a; 353.33, subdivision 2; 353.651, subdivision 3; 354.42, subdivision 5; 354.44, subdivision 6; 354.46, subdivisions 1 and 2; 354.47, subdivision 1; 354.48, subdivisions 2 and 3a; 354.49, subdivisions 2 and 3; 354.62, subdivision 5; 354A.23, by adding a subdivision; 354A.37, subdivisions 3 and 4; 356.20, subdivision 4; and 356.215, subdivision 4; Minnesota Statutes 1983 Supplement, sections 3A.03, subdivision 2; 352.113, subdivision 2; 352.115, subdivision 8; 352B.02, subdivision 1; 352B.11, subdivision 1; 352C.09, subdivision 2; 353.32, subdivision 1; and 353.34, subdivision 2; Laws 1983, chapters 301, section 225, subdivision 1, and by adding a subdivision; and 314, article 12, section 1, subdivision 2; proposing new law coded in Minnesota Statutes, chapter 356; repealing Minnesota Statutes 1982, sections 352.022; 353.38; 354.07, subdivision 8; and Laws 1983, chapter 301, section 225, subdivision 2."

We request adoption of this report and repassage of the bill.

Senate Conferees: COLLIN C. PETERSON, RANDOLPH W. PETERSON, EARL W. RENNEKE and ALLAN H. SPEAR.

House Conferees: JOHN SARNA, JOHN T. CLAWSON, FRANK RODRIGUEZ, RICHARD E. WIGLEY and JAMES METZEN.

Sarna moved that the report of the Conference Committee on S. F. No. 147 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 147, A bill for an act relating to retirement; employee and employer contributions to the Minnesota state retirement system; amending Minnesota Statutes 1982, section 352.92, subdivisions 1 and 2.

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

The question was taken on the repassage of the bill and the roll was called. There were 124 yeas and 7 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Burger	Frerichs	Ludeman	Stadum	Welker
DenOuden	Himle			

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

The following conference committee reports were received:

CONFERENCE COMMITTEE REPORT ON H. F. NO. 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 provi-

sions 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, subdivision 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.

April 19, 1984

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

The Honorable Jerome M. Hughes
President of the Senate

We, the undersigned conferees for H. F. No. 1655, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments.

We request adoption of this report and repassage of the bill.

House Conferees: BERNARD J. BRINKMAN, TOM OSTHOFF and O. J. HEINITZ.

Senate Conferees: SAM G. SOLON, RONALD R. DICKLICH and PATRICIA LOUISE KRONEBUSCH.

Brinkman moved that the report of the Conference Committee on H. F. No. 1655 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

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, subdivision 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, as amended by Conference, and placed upon its repassage.

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

Those who voted in the affirmative were:

Anderson, B.	Ellingson	Knickerbocker	Osthoff	Simoneau
Anderson, G.	Erickson	Knuth	Otis	Skoglund
Anderson, R.	Evans	Kostohryz	Pauly	Solberg
Battaglia	Findlay	Krueger	Peterson	Sparby
Beard	Fjoslien	Kvam	Piepho	Stadum
Begich	Forsythe	Larsen	Piper	Staten
Bennett	Frerichs	Levi	Price	Sviggum
Bergstrom	Graba	Long	Quist	Swanson
Bishop	Greenfield	Ludeman	Redalen	Thiede
Blatz	Gruenes	Mann	Reif	Tomlinson
Boo	Gustafson	Marsh	Rice	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	Sarna	Voss
Clark, K.	Hoffman	Murphy	Schafer	Waltman
Clawson	Hokr	Nelson, D.	Scheid	Welch
Cohen	Jacobs	Nelson, K.	Schoenfeld	Welker
Coleman	Jennings	Neuenschwander	Schreiber	Welle
Dempsey	Jensen	Norton	Seaberg	Wenzel
DenOuden	Johnson	O'Connor	Segal	Wigley
Dimler	Kahn	Olsen	Shaver	Wynia
Eken	Kalis	Omann	Shea	Zaffke
Elioff	Kelly	Onnen	Sherman	Speaker Sieben

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

CONFERENCE COMMITTEE REPORT ON 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.

April 19, 1984

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

The Honorable Jerome M. Hughes
President of the Senate

We, the undersigned conferees for H. F. No. 432, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments and that H. F. No. 432 be further amended as follows:

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 11, the terms defined in this section have the meanings given them.

Subd. 2. [EXCESSIVE SOIL LOSS.] "Excessive soil loss" means soil loss resulting from erosion that is more rapid than the gradual erosion of land used by man when all reasonable soil and water conservation practices have been applied. "Excessive soil loss" may be evidenced by sedimentation on adjoining land or in any body of water. Soil loss is excessive if it is greater than the soil loss tolerance for each soil type described in the United States Soil Conservation Service Field Office technical guide.

Subd. 3. [ADMINISTRATIVE ORDER.] "Administrative order" means an order issued by the governing body of a statutory or home rule charter city, town, or county to notify an

offending landowner of record that soil erosion is occurring in excess of limits specified in local regulations. The order shall contain the precise location 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 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 including 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. [DEVELOPMENT ACTIVITY.] "Development activity" means any physical disturbance by man of the land associated with development 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. Federal, state, county, and municipal road construction designed according to department of transportation standard specifications for construction are exempt from this act.

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. [GOVERNING BODY.] "Governing body" means the elected governing body of a county, city, or town or their designated officials or agents. Agents may include soil and water conservation districts, water management organizations, joint powers boards, watershed districts, or other governmental entities responsible for resource management within the affected jurisdiction.

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. [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. 12. [SEDIMENTATION.] "Sedimentation" means the process or action of depositing sediment that, upon inspection, is determined to have been caused by accelerated erosion as provided in section 7.

Subd. 13. [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 local regulations on a given soil.

Subd. 14. [SOIL AND WATER CONSERVATION PRACTICE.] "Soil and water conservation practice" or "practice" means a permanent or temporary vegetative or structural measure 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. 15. [SUPPLEMENTAL ORDER.] "Supplemental order" means an order supplemental to an administrative order and issued by the governing body 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. 16. [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] [SOIL LOSS CONTROL.]

Each statutory or home rule charter city, town, or county that has planning and zoning authority under sections 366.10 to 366.-

19, 394.21 to 394.37, or 462.351 to 462.365 is encouraged to adopt a soil loss ordinance as provided in section 4. 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.

Sec. 4. [40.21] [PROMULGATION OF RULES BY THE COMMISSIONER OF AGRICULTURE; PERIODIC REVIEW.]

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

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

(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 commissioner of agriculture 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 commissioner of agriculture.

Sec. 5. [40.22] [EXCESSIVE SOIL LOSS PROHIBITED.]

Subdivision 1. [PROHIBITED ACTIVITIES.] A person may not cause, conduct, contract for, or authorize an activity which causes excessive soil loss.

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 excessive soil loss.

Subd. 3. [WOODLAND.] A land occupier who uses wooded land for pasture must ensure that proper management is used to prevent excessive soil loss due to overgrazing or cattle paths.

Sec. 6. [40.23] [ENFORCEMENT.]

Subdivision 1. [COMPLAINT.] A land occupier adversely affected by the effects of excessive soil loss, or an elected local government official, may submit a verbal or written complaint against a land occupier alleging that excessive soil loss has oc-

curred or is occurring. The complaint must be made to the governing body of the local government unit that has adopted an ordinance as provided in section 4. If the complaint is verbal, it must be followed by a written complaint within 72 hours. The complaint shall include the approximate dates and location of the alleged violation and describe the source, nature, and extent of the excessive soil loss alleged to have occurred or which is occurring. The complaint must be made to the governing body of the local government unit that has adopted a soil loss ordinance as provided in section 4.

Sec. 7. [40.24] [INSPECTION OF LAND UPON COMPLAINT.]

The governing body of the local government unit shall inspect or cause to be inspected any land within its jurisdiction, upon receipt of a complaint that soil loss is occurring there in excess of the limits established by the local unit's soil loss regulations. The burden of proof shall be on the local government unit to prove that an alleged violation exists. The person against whom the complaint is made 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 governing body of the local unit finds that excessive soil loss 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 loss on the land exceeds the limits established by the 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 excessive soil loss 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. 8. [40.25] [EROSION CONTROL PLAN FOR DEVELOPMENT ACTIVITIES.]

A person engaged in a development activity that will disturb over one acre of land must submit to the governing body a sedimentation control plan that will prevent excessive soil loss before the development activity is to begin.

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

Except in the case of a development activity, a land occupier may not be required to establish soil conservation practices unless state cost-sharing funds have been specifically approved for that land and have been made available to the land occupier

in an amount equal to at least 75 percent of the cost of the permanent conservation practices on a voluntary basis, and a 50 percent cost share if implementation is not commenced following the issuance of an administrative order as provided in this section. 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 7. When notified of the approval of the application, the local unit 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 7. 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] [APPLICABILITY.]

The provisions of sections 5 to 9 are not applicable without the adoption of an ordinance by the county or local government unit.

Sec. 11. [40.28] [PENALTY.]

A violation of an administrative order issued under section 7 or a supplemental order issued under section 9 is a misdemeanor.

Sec. 12. Laws 1979, chapter 315, section 2, as amended by Laws 1981, chapter 78, section 1, and Laws 1982, chapter 512, section 10, is amended to read:

Sec. 2. [JOINT LEGISLATIVE COMMITTEE.]

A joint legislative committee on agricultural land preservation and conservation shall be established by July 1, 1979, and shall expire by June 30, (1984) 1994, unless extended by legislative action. The committee shall be composed of eight members of the house of representatives from the transportation, agriculture, environment and natural resources, local and urban affairs, and tax committees appointed by the speaker and the chairman of the committee on rules and legislative administration; and eight members of the senate from the transportation, agriculture and natural resources, local government, tax, and govern-

mental operations committees appointed by the subcommittee on committees. The committee shall elect a chairman from among its members. The expenses of and per diem payments to committee members shall be paid from the legislative expense fund of their respective body upon approval of the chairman of the joint committee. Other expenses of the committee shall be evenly divided between the house of representatives and the senate.

Sec. 13. [APPROPRIATION.]

The sum of \$10,000 is appropriated from the general fund to the commissioner of agriculture to adopt rules under section 4."

Delete the title and insert:

"A bill for an act relating to soil and water conservation; prohibiting in certain counties practices which cause accelerated erosion or sedimentation; extending the joint legislative committee on agricultural land preservation and conservation; prescribing penalties; appropriating money; amending Laws 1979, chapter 315, section 2, as amended; proposing new law coded in Minnesota Statutes, chapter 40."

We request adoption of this report and repassage of the bill.

House Conferees: ELTON R. REDALEN, WILLIAM SCHREIBER and DANIEL J. KNUTH.

Senate Conferees: CHARLES R. DAVIS, GARY M. DECRAMER and CHARLES A. BERG.

Redalen moved that the report of the Conference Committee on H. F. No. 432 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

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, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 114 yeas and 12 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Bergstrom	Burger	Cohen	Elioff
Anderson, C.	Bishop	Carlson, D.	Coleman	Ellingson
Battaglia	Blatz	Carlson, L.	Dempsy	Erickson
Beard	Boo	Clark, J.	DenOuden	Findlay
Begich	Brandl	Clark, K.	Dimler	Forsythe
Bennett	Brinkman	Clawson	Eken	Frerichs

Greenfield	Krueger	Norton	Rodriguez, C.	Sparby
Gruenes	Kvam	O'Connor	Rodriguez, F.	Staten
Gustafson	Larsen	Ogren	Rose	Sviggun
Cutknecht	Levi	Olsen	St. Onge	Swanson
Halberg	Long	Omann	Sarna	Tomlinson
Heinitz	Mann	Onnen	Schafer	Uphus
Himle	Marsh	Osthoff	Scheid	Valan
Hoffman	McDonald	Otis	Schoenfeld	Valento
Hokr	McEachern	Pauly	Schreiber	Vanasek
Jacobs	McKasy	Peterson	Seaberg	Vellenga
Jensen	Metzen	Piper	Segal	Voss
Johnson	Minne	Price	Shaver	Waltman
Kahn	Munger	Quist	Shea	Welch
Kelly	Murphy	Redalen	Sherman	Welle
Knickerbocker	Nelson, D.	Reif	Simoneau	Wenzel
Knuth	Nelson, K.	Riveness	Skoglund	Speaker Sieben
Kostohryz	Neuenschwander	Rodosovich	Solberg	

Those who voted in the negative were:

Fjoslien	Jennings	Stadum	Tunheim	Wigley
Craba	Ludeman	Thiede	Welker	Zaffke
Haukoos	Piepho			

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

CONFERENCE COMMITTEE REPORT ON 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.

April 19, 1984

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

The Honorable Jerome M. Hughes
President of the Senate

We, the undersigned conferees for H. F. No. 1532, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment and that H. F. No. 1532 be further amended as follows:

Page 1, after line 9, insert:

“Sec. 2. [32.5313] [ARTIFICIAL DAIRY PRODUCTS IN RESTAURANTS.]

Subdivision 1. [LABELING.] Artificial dairy products served in restaurants or public eating places must be clearly la-

beled in some manner to distinguish the artificial dairy products from genuine dairy products.

Subd. 2. [ARTIFICIAL DAIRY PRODUCTS IN PUBLIC EATING PLACES.] A restaurant or public eating place may not serve for customer use and application (1) an artificial dairy product for use as a coffee cream or whitener unless the restaurant or public eating place has available to customers for the same purpose a genuine dairy product like cream, half and half, or a lighter type of cream; or (2) margarine or an artificial butter product separate from an entree for use with food that is served unless butter is also available for the same purpose.

Subd. 3. [EXCEPTION FOR VENDING MACHINES.] This section does not apply to coffee whitener sold or dispensed by a vending machine provided the machine bears a prominently placed label stating that the coffee whitener sold or dispensed is not a dairy product or is an artificial dairy product."

Amend the title as follows:

Page 1, line 3, after the semicolon insert "requiring restaurants to offer a genuine dairy product if certain artificial dairy products are offered; requiring labeling of certain artificial dairy products;"

Page 1, line 4, delete "chapter 1" and insert "chapters 1 and 32"

We request adoption of this report and repassage of the bill.

House Conferees: RICK KRUEGER, JERRY GRABA and SYLVESTER UPHUS.

Senate Conferees: JOE BERTRAM and CHARLES R. DAVIS.

Krueger moved that the report of the Conference Committee on H. F. No. 1532 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 1532 was read for the third time, as amended by Conference.

MOTIONS FOR RECONSIDERATION

Graba moved that the action whereby H. F. No. 1532 was given its third reading, as amended by Conference, be now reconsidered. The motion prevailed.

Graba moved that the action whereby the motion to adopt the Conference Committee report on H. F. No. 1532 was adopted be now reconsidered. The motion prevailed.

Graba moved that the House refuse to adopt the Conference Committee report on H. F. No. 1532, and that the bill be returned to the Conference Committee. The motion prevailed.

MESSAGES FROM THE SENATE, Continued

The following message was received from the Senate:

Mr. Speaker:

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

S. F. No. 433.

PATRICK E. FLAHAVEN, Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 433, A bill for an act relating to labor; regulating the minimum wage by phasing out the tip credit; amending Minnesota Statutes 1982, section 177.28, subdivision 4.

The bill was read for the first time.

SUSPENSION OF RULES

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, Murphy moved that the rule therein be suspended and an urgency be declared so that S. F. No. 433 be given its second and third readings and be placed upon its final passage.

A roll call was requested and properly seconded.

The question was taken on the Murphy motion and the roll was called. There were 63 yeas and 60 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Eken	McEachern	Price	Sparby
Anderson, G.	Elioff	Minne	Rice	Staten
Battaglia	Ellingson	Munger	Riveness	Swanson
Beard	Greenfield	Murphy	Rodosovich	Tunheim
Begich	Gustafson	Nelson, D.	Rodriguez, C.	Vanasek
Bergstrom	Jacobs	Neuenschwander	Rodriguez, F.	Vellenga
Brandl	Jensen	Norton	St. Onge	Voss
Carlson, L.	Kahn	O'Connor	Sarna	Welch
Clark, J.	Kalis	Ogren	Scheid	Welle
Clark, K.	Kelly	Osthoff	Segal	Wynia
Clawson	Knuth	Otis	Simoneau	Speaker Sieben
Cohen	Larsen	Peterson	Skoglund	
Coleman	Long	Piper	Solberg	

Those who voted in the negative were:

Bennett	Fjoslien	Johnson	Pauly	Sherman
Bishop	Forsythe	Knickerhocker	Piepho	Stadum
Blatz	Frerichs	Kvam	Quist	Sviggum
Boo	Gruenes	Levi	Redalen	Thiede
Brinkman	Gutknecht	Ludeman	Reif	Tomlinson
Burger	Halberg	Mann	Rose	Uphus
Dempsey	Haukoos	Marsh	Schafer	Valan
DenOuden	Heap	McDonald	Schoenfeld	Valento
Dimler	Heinitz	McKasy	Schreiber	Waltman
Erickson	Himle	Olsen	Seaberg	Welker
Evans	Hokr	Omann	Shaver	Wigley
Findlay	Jennings	Onnen	Shea	Zaffke

The motion did not prevail.

Murphy moved that S. F. No. 433 and H. F. No. 347, now on Special Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

The following conference committee report was received:

CONFERENCE COMMITTEE REPORT ON 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.

April 18, 1984

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

The Honorable Jerome M. Hughes
President of the Senate

We, the undersigned conferees for H. F. No. 1743, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment and that H. F. No. 1743 be further amended as follows:

Page 2, line 12, delete everything after "*when*" and insert "*the transaction is conducted by either a licensed practicing attorney or by*"

Amend the title as follows:

Page 1, line 2, delete "removing" and insert "modifying"

We request adoption of this report and repassage of the bill.

House Conferees: WALLY SPARBY, JOHN SARNA and O. J. HEINITZ.

Senate Conferees: GENE MERRIAM and DEAN E. JOHNSON.

Sparby moved that the report of the Conference Committee on H. F. No. 1743 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

The Speaker called Wynia to the Chair.

H. F. No. 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 third time, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 96 yeas and 25 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Forsythe	Larsen	Piepho	Staten
Battaglia	Greenfield	Long	Piper	Swanson
Beard	Gruenes	Mann	Price	Tomlinson
Begich	Gustafson	Marsh	Redalen	Tunheim
Bennett	Halberg	Metzen	Riveness	Valan
Bergstrom	Haukoos	Minnie	Rodosovich	Valento
Bishop	Heap	Munger	Rodriguez, C.	Vanasek
Blatz	Heinitz	Murphy	Rodriguez, F.	Vellenga
Brandl	Himle	Nelson, D.	Rose	Voss
Brinkman	Hoffman	Nelson, K.	St. Onge	Waltman
Carlson, L.	Hokr	Neuenschwander	Sarna	Welch
Clark, J.	Jacobs	Norton	Scheid	Welle
Clark, K.	Jensen	O'Connor	Schreiber	Wenzel
Clawson	Johnson	Ogren	Seaberg	Wynia
Cohen	Kahn	Olsen	Segal	Zaffke
Coleman	Kalis	Omann	Shaver	Speaker Sieben
Dempsey	Kelly	Osthoff	Sherman	
Eken	Knickerbocker	Otis	Simoneau	
Elioff	Knuth	Pauly	Solberg	
Ellingson	Kostohryz	Peterson	Sparby	

Those who voted in the negative were:

Anderson, G.	Erickson	Gutknecht	Onnen	Sviggum
Burger	Evans	Jennings	Quist	Thiede
Carlson, D.	Findlay	Ludeman	Schafer	Uphus
DenOuden	Fjoslien	McDonald	Skoglund	Welker
Dimler	Frerichs	McKasy	Stadum	Wigley

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

There being no objection the order of business reverted to Messages from the Senate.

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

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

H. F. No. 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.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

St. Onge moved that the House concur in the Senate amendments to H. F. No. 1878 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1878, A bill for an act relating to state-regulated occupations; providing for continuing education of building officials; redefining broker-dealer; amending Minnesota Statutes 1982, section 16.861, by adding a subdivision; repealing S. F. No. 1750, section 3, enacted at the 1984 regular session.

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

The question was taken on the repassage of the bill and the roll was called. There were 115 yeas and 9 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Cohen	Gustafson	Kelly	Murphy
Anderson, C.	Coleman	Gutknecht	Knickerbocker	Nelson, D.
Anderson, R.	Dempsey	Halberg	Knuth	Nelson, K.
Beard	Dimler	Haukoos	Kostohryz	Neuenschwander
Bennett	Eken	Heap	Krueger	Norton
Bergstrom	Elioff	Heinitz	Kvam	O'Connor
Bishop	Ellingson	Himle	Larsen	Ogren
Blatz	Erickson	Hoffman	Levi	Olsen
Brandl	Evans	Hokr	Long	Omann
Brinkman	Findlay	Jacobs	Mann	Onnen
Burger	Forsythe	Jennings	Marsh	Osthoff
Carlson, L.	Frerichs	Jensen	McKasy	Otis
Clark, J.	Graba	Johnson	Metzen	Pauly
Clark, K.	Greenfield	Kahn	Minne	Peterson
Clawson	Gruenes	Kalis	Munger	Piepho

Piper	Rodriguez, F.	Segal	Staten	Vellenga
Price	Rose	Shaver	Swanson	Voss
Quist	St. Onge	Shea	Tomlinson	Waltman
Redalen	Sarna	Sherman	Tunheim	Welch
Reif	Scheid	Simoneau	Uphus	Welle
Rice	Schoenfeld	Skoglund	Valan	Wigley
Riveness	Schreiber	Sparby	Valento	Wynia
Rodosovich	Seaberg	Stadum	Vanasek	Speaker Sieben

Those who voted in the negative were:

Carlson, D.	Fjoslien	Schafer	Thiede	Zaffke
DenOuden	Ludeman	Sviggum	Welker	

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

Mr. Speaker:

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

H. F. No. 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.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Scheid moved that the House concur in the Senate amendments to H. F. No. 2186 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 2186, A bill for an act relating to public finance; authorizing the levy of special assessments or service charges for fire protection and pedestrian skyway systems; providing for allocation of federal authority to issue certain state and local obligations; amending Minnesota Statutes 1982, sections 116J.-58, by adding a subdivision; 273.77; 429.021, subdivision 1; 429.031, subdivision 3; 429.091, subdivision 2, and by adding a subdivision; 429.101, subdivision 1; 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 third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 110 yeas and 16 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Elioff	Kostohryz	Osthoff	Sherman
Anderson, G.	Ellingson	Krueger	Otis	Simoneau
Anderson, R.	Evans	Larsen	Pauly	Skoglund
Battaglia	Findlay	Levi	Peterson	Solberg
Beard	Forsythe	Long	Piepho	Sparby
Begich	Graba	Mann	Piper	Stadum
Bennett	Greenfield	Marsh	Price	Staten
Bergstrom	Gruenes	McEachern	Redalen	Sviggum
Bishop	Gustafson	McKasy	Reif	Tomlinson
Blatz	Gutknecht	Metzen	Rice	Tunheim
Brandl	Halberg	Minne	Riveness	Uphus
Brinkman	Heap	Munger	Rodosovich	Valan
Burger	Heinitz	Murphy	Rodriguez, F.	Valento
Carlson, D.	Himle	Nelson, D.	Rose	Vanasek
Clark, J.	Hoffman	Nelson, K.	St. Onge	Vellenga
Clark, K.	Jacobs	Neuenschwander	Sarna	Voss
Clawson	Jensen	Norton	Scheid	Waltman
Cohen	Johnson	O'Connor	Schoenfeld	Welch
Coleman	Kalis	Ogren	Schreiber	Welle
Dempsey	Kelly	Olsen	Seaberg	Wenzel
Dimler	Knickerbocker	Omman	Segal	Wynia
Eken	Knuth	Onnen	Shaver	Speaker Sieben

Those who voted in the negative were:

DenOuden	Haukoos	Kvam	Quist	Welker
Erickson	Hokr	Ludeman	Schafer	Wigley
Fjoslien	Jennings	McDonald	Thiede	Zaffke
Frerichs				

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. 1982, A bill for an act relating to towns; authorizing contributions to certain organizations; amending Minnesota Statutes 1982, section 365.10.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Clawson moved that the House concur in the Senate amendments to H. F. No. 1982 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1982, A bill for an act relating to towns; authorizing contracts with nonprofit organizations; amending Minnesota Statutes 1982, section 365.10.

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

The question was taken on the repassage of the bill and the roll was called. There were 127 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Evans	Kostohryz	Otis	Skoglund
Anderson, G.	Findlay	Krueger	Pauly	Solberg
Anderson, R.	Fjoslien	Kvam	Peterson	Stadum
Battaglia	Forsythe	Larsen	Piepho	Staten
Begich	Frerichs	Levi	Piper	Sviggum
Bennett	Graba	Long	Price	Swanson
Bergstrom	Greenfield	Ludeman	Quist	Thiede
Blatz	Gruenes	Mann	Redalen	Tomlinson
Boo	Gustafson	Marsh	Reif	Tunheim
Brandl	Gutknecht	McDonald	Rice	Uphus
Brinkman	Halberg	McEachern	Riveness	Valan
Burger	Haukoos	McKasy	Rodosovich	Valento
Carlson, D.	Heap	Metzen	Rodriguez, C.	Vanasek
Carlson, L.	Heinitz	Minne	Rodriguez, F.	Vellenga
Clark, J.	Himle	Munger	Rose	Voss
Clark, K.	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	Schoenfeld	Wigley
DenOuden	Johnson	O'Connor	Schreiber	Wynia
Dimler	Kahn	Ogren	Seaberg	Zaffke
Eken	Kalis	Olsen	Segal	Speaker Sieben
Elioff	Kelly	Omann	Shea	
Ellingson	Knickerbocker	Onnen	Sherman	
Erickson	Knuth	Osthoff	Simoneau	

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

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendment to:

S. F. No. 1880, A bill for an act relating to local government; providing for financing of county and county regional jails; providing for a special allocation of mortgage revenue bonds for calendar year 1985; authorizing the levy of special assessments or service charges for fire protection and pedestrian skyway systems; allowing the town of Blue Hill to exercise certain powers; letting municipal housing contracts; increasing the amount of expenditures for construction and other work that requires an award by contract; amending Minnesota Statutes 1982, sections 429.021, subdivision 1; 429.031, subdivision 3; 429.091, subdivision 2; 429.101, subdivision 1; 462.461, subdivisions 1, 2, and 3; 462C.09, by adding a subdivision; 641.24; and 641.264, subdivision 1.

And the Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee Messrs. Benson, Wegscheid and Pogemiller.

Said Senate File is herewith transmitted to the House with the request that the House appoint a like committee.

PATRICK E. FLAHAVEN, Secretary of the Senate

Ellingson moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 3 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two houses on S. F. No. 1880. The motion prevailed.

The Speaker resumed the Chair.

SPECIAL ORDERS, Continued

S. F. No. 595 which was temporarily laid over earlier today was again reported to the House.

Wynia moved to amend S. F. No. 595, as follows:

Page 6, after line 18, insert:

“Sec. 4. 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. 5. 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. 6. 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 COVERAGE.]

(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.*

(7) *Notwithstanding the provisions of this section, an insurer may make available underinsured motorist coverage where the maximum liability of the insurer shall be limited to the lesser of: (a) the difference between the limit of such coverage and the amount paid to the insured by or for any person or organization who may be held legally liable for the bodily injury; or (b) the amount of damages sustained, but not recovered. Substitution of this form of coverage may be selected by the insured and will satisfy the requirements of this section if the insured (a) is provided with a written description of the two alternative coverages, which indicates the difference in premiums for each; and (b) acknowledges receipt of the description and approves the substitution in writing. The written description of the two alternative coverages shall be approved by the commissioner."*

Page 6, line 19, delete "4" and insert "8"

Amend the title as follows:

Page 1, line 5, after the semicolon insert "providing uninsured and underinsured motorist coverage for no-fault auto insurance;"

Page 1, line 6, after the semicolon insert "65B.43, by adding subdivisions; and 65B.49, subdivision 4;"

The motion prevailed and the amendment was adopted.

S. F. No. 595, 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, sections 60D.01, subdivision 8; and 60D.02, subdivision 5.

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

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

Those who voted in the affirmative were:

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

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

MESSAGES FROM THE SENATE, Continued

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendment to:

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.

And the Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee Messrs. Freeman, Luther and Sieloff.

Said Senate File is herewith transmitted to the House with the request that the House appoint a like committee.

PATRICK E. FLAHAVEN, Secretary of the Senate

Clawson moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 3 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two houses on S. F. No. 1843. The motion prevailed.

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendment to:

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.

And the Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee Ms. Berglin, Messrs. Petty and Sieloff.

Said Senate File is herewith transmitted to the House with the request that the House appoint a like committee.

PATRICK E. FLAHAVEN, Secretary of the Senate

Greenfield moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 3 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two houses on S. F. No. 1628. The motion prevailed.

ANNOUNCEMENTS BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 1843:

Clawson, Cohen and Halberg.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 1628:

Greenfield, Elioff and Boo.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 1880:

Ellingson; Rodriguez, C., and Schreiber.

SPECIAL ORDERS

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

GENERAL ORDERS

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

ADJOURNMENT

Eken moved that when the House adjourns today it adjourn until 11:00 a.m., Friday, April 20, 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 20, 1984.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

STATE OF MINNESOTA

SEVENTY-THIRD SESSION - 1984

EIGHTY-THIRD DAY

SAINT PAUL, MINNESOTA, FRIDAY, APRIL 20, 1984

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

Prayer was offered by Dr. Conrad Thompson, Former Speaker, Lutheran Vespers radio, Burnsville, Minnesota.

The roll was called and the following members were present:

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

A quorum was present.

Dempsey, Hoberg and Quinn were excused.

Osthoff was excused until 11:35 a.m.

The Chief Clerk proceeded to read the Journal of the preceding day. Rose 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. 1686, 1994, 1766 and 2186 and S. F. Nos. 2010, 2133, 2108, 1821, 1662 and 433 have been placed in the members' files.

S. F. No. 433 and H. F. No. 347, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Murphy moved that the rules be so far suspended that S. F. No. 433 be substituted for H. F. No. 347 and that the House File be indefinitely postponed. The motion prevailed.

SECOND READING OF SENATE BILLS

S. F. No. 433 was read for the second time.

INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Scheid and Schreiber introduced:

H. F. No. 2341, A bill for an act relating to taxation; reducing the property tax assessment ratios on commercial industrial property; reducing income tax rates; repealing the unitary method of apportioning the income of multistate businesses; repealing the income tax surtax; amending Minnesota Statutes 1982, section 290.095, subdivision 3; Minnesota Statutes 1983 Supplement, sections 273.13, subdivision 9; 290.06, subdivisions 1 and 2c; 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; Minnesota Statutes 1983 Supplement, section 290.06, subdivision 2e; Laws 1982, chapter 523, article XXIX, section 6; 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, Schoenfeld, Dempsey, Forsythe and Seaberg introduced:

H. F. No. 2342, A bill for an act relating to damages arising from personal injury in civil actions; providing for calculation

of the damage award; proposing new law coded in Minnesota Statutes, chapter 604.

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

Segal introduced:

H. F. No. 2343, A bill for an act relating to environment; superfund; providing that funds in the environmental response, compensation, and compliance fund may be used to reimburse certain property owners; amending Minnesota Statutes 1983 Supplement, section 115B.20, subdivision 2.

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

Shaver, Welle, Osthoff, Gutknecht and Redalen introduced:

H. F. No. 2344, A bill for an act relating to elections; providing for a presidential primary election; changing the state primary date; amending Minnesota Statutes 1982, sections 204D.03, subdivision 1, and by adding a subdivision; and 204D.08; Minnesota Statutes 1983 Supplement, section 204D.06; repealing Minnesota Statutes 1982, sections 202A.12; 202A.13; 202A.135; 202A.14, subdivisions 2 and 3; 202A.15; 202A.16; 202A.17; 202A.18; 202A.192; and Minnesota Statutes 1983 Supplement, sections 202A.14, subdivision 1; and 202A.19.

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

HOUSE ADVISORIES

The following House Advisories were introduced:

Sarna introduced:

H. A. No. 74, A proposal relating to tourism; fish spearing.

The advisory was referred to the Committee on Commerce and Economic Development.

Shaver introduced:

H. A. No. 75, A proposal to study child custody awards of marriage dissolution proceedings.

The advisory was referred to the Committee on Judiciary.

Clark, K.; Begich; Riveness and Staten introduced:

H. A. No. 76, A proposal to study Minnesota's Unemployment Compensation Law.

The advisory was referred to the Committee on Governmental Operations.

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 1386, A bill for an act relating to children; authorizing intervention by the juvenile court to protect children from abuse committed by family or household members; providing for prosecution by the county attorney of certain gross misdemeanors; amending Minnesota Statutes 1982, sections 260.015, by adding subdivisions; 260.111, by adding a subdivision; 260.191, by adding a subdivision; and Minnesota Statutes 1983 Supplement, section 388.051, subdivision 2; proposing new law coded in Minnesota Statutes, chapter 260.

The Senate has appointed as such committee Mr. Petty, Ms. Reichgott and Mr. Ramstad.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 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 Senate has appointed as such committee Messrs. Wegscheid, Bernhagen and Stumpf.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

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 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 that the Senate has concurred in and adopted the report of the Conference Committee on:

H. F. No. 1149, A bill for an act relating to liens; providing a nonpossessory lien on personal property; amending Minnesota Statutes 1982, section 514.18.

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 that the Senate has concurred in and adopted the report of the Conference Committee on:

H. F. No. 2016, A bill for an act relating to financing and operation of government in this state; increasing the budget reserve account; repealing the income tax surtax; providing a tax amnesty; increasing the school agricultural credit; providing for distribution of proceeds from Minnesota breeders fund; changing notice provisions and qualifying debts under the revenue recapture capture act; clarifying the application of the mortgage registry tax to revolving lines of credit; changing refund procedure of motor fuels tax; abolishing the excise tax on boxing; changing the maximum property tax levy of Duluth port authority; exempting hot water heating from St. Paul

franchise tax; giving certain powers to the Ramsey-Washington metro watershed district; creating the Croft Historical Park board; giving the city of Cloquet power to contract and levy for public transportation; providing for the conveyance of certain lands in St. Louis County and Morrison County; authorizing levy limit increases for the cities of Breezy Point and Oakdale; abolishing rent capitalization and providing for study by the department of revenue; imposing requirements for disaster relief property tax credits; changing certain assessment ratios; changing eligibility for certain assessment ratios; changing homestead classification treatment; changing property tax statement requirements; delaying imposition of a property tax penalty; providing for notice of sale of certain tax forfeited lands; changing computation of payments in lieu; requiring tax clearance prior to issuance of certain licenses; restoring local government aid payments for 1984; modifying the computation formula for local government aids; providing for a local government aids study commission; changing designation and funding for enterprise zones; changing procedures and eligibility for certain business income tax credits; allowing or increasing income tax deductions for certain dividends and royalties; restricting tax exemptions for redevelopment companies; providing grants for plant expansions; adjusting the computation of taxes on taconite and iron ore and authorizing certain refunds and credits; modifying distributions from the proceeds of the taconite tax; changing computation of agricultural, homestead, and taconite homestead credits; allowing taxing districts to levy for certain purposes; changing the definition of political party for purposes of the political contribution credit; changing the income tax pension exclusion; altering certain gross income modifications; increasing the tuition deduction; providing for the adjustment of income under the farm loss modification; providing for the determination of sales within the state for income tax purposes; changing or eliminating withholding on parimutuel winnings and purses; reenacting rental registration provisions; establishing an agricultural resource loan guaranty program; regulating charitable gambling; requiring prompt payment by state agencies; providing that certain admission taxes are discretionary with the metropolitan sports facilities commission; changing certain transfers to the education aids increase account; exempting sales of candy by nonprofit youth organizations from the sales tax; changing certain provisions relating to sales ratios and property tax appeals; including logging equipment in the definition of farm machinery; providing a reduced sales tax rate on capital equipment and special tooling; exempting hot water and certain manufactured homes from the sales tax; exempting certain vehicles used in interstate commerce; providing that sales of certain leased vehicles are not exempt; simplifying hydropower lease procedures; clarifying certain exempt land; modifying the definition of wetlands; extending availability of confession of judgment procedures to certain nonhomestead

property; modifying and extending the targeting credit for certain years; providing property tax reimbursement for certain transit levies; changing certain procedures for valuing railroad property; providing certain refunds for railroad abatements; appropriating money; amending Minnesota Statutes 1982, sections 10A.31, subdivisions 3a and 5; 105.482, subdivisions 8 and 9; 124.2131, subdivision 1; 270.04, subdivision 2; 270.80, subdivision 4; 270.84, subdivision 1; 270.86; 270.87; 270A.03, subdivision 5; 270A.08, subdivisions 1 and 2; 271.01, subdivision 5; 271.06, subdivision 6; 272.02, by adding a subdivision; 273.123, by adding subdivisions; 273.13, subdivision 19; 273.135, subdivisions 2 and 5; 273.1391, subdivisions 2 and 4; 273.19, by adding a subdivision; 279.37, subdivisions 1 and 3; 287.05, by adding subdivisions; 290.06, by adding a subdivision; 290.08, by adding a subdivision; 290.19, subdivision 1a; 290.21, by adding a subdivision; 290.61; 290A.04, by adding a subdivision; 295.44, subdivision 1; 296.18, subdivisions 3 and 8; 297A.01, subdivision 15, and by adding subdivisions; 297A.15, by adding a subdivision; 297A.44, subdivision 1; 297B.035, subdivision 3; 298.01; 298.02, subdivision 1; 298.031, subdivision 2; 298.225; 298.24, subdivision 1, and by adding a subdivision; 298.40, by adding a subdivision; 299.012, subdivision 1; 341.05; 349.11; 349.12; 349.13; 349.14; 349.15; 349.16; 349.17; 349.18; 349.19; 349.20; 349.21; 349.22; 349.31, subdivision 1; 362A.01, subdivision 1; 362A.05; 458.14; 462.651, subdivision 1, and by adding a subdivision; 473.595, subdivision 1; 477A.13; Minnesota Statutes 1983 Supplement, sections 16A.15, subdivision 6; 124.2137, subdivision 1; 240.18; 272.02, subdivision 1; 273.11, subdivision 1; 273.13, subdivisions 6, 7, 9, 17, 17b, 17c, and 21; 273.1312, subdivision 4; 273.1314, subdivisions 6, 8, and 15; 275.125, subdivisions 11a, 11b, and 12a; 276.04; 278.01, subdivision 1; 278.05, subdivision 4; 279.01, subdivision 1; 290.01, subdivisions 20a and 20b; 290.06, subdivision 11; 290.069, subdivisions 1, 2, 4, 5, and by adding subdivisions; 290.089, subdivision 2; 290.09, subdivision 29; 290.18, subdivision 2; 290.21, subdivision 4; 290.92, subdivisions 27 and 28; 290A.04, subdivisions 2e and 2f; 296.14, subdivision 4; 296.18, subdivision 1; 297A.02, subdivision 2, and by adding a subdivision; 297A.14; 297A.25, subdivision 1; 297B.03; 298.28, subdivision 1; 340.14, subdivision 2; 473.446, subdivision 1; 477A.013, subdivisions 1 and 2; 477A.0131, subdivision 1; 609.75, subdivision 3; 609.761; amending Laws 1979, chapter 189, section 2; Laws 1982, Second Special Session, chapter 2, sections 12, as amended, and 14, as amended; Laws 1983, chapter 342, article 1, section 44; 1984 Regular Session, H. F. No. 1393, article 9, section 9; proposing new law coded as Minnesota Statutes, chapter 41A; proposing new law coded in Minnesota Statutes, chapters 16A; 270; 282; 349; 362A; 507; 508; repealing Minnesota Statutes 1982, sections 270.051; 290.06, subdivision 13; 295.44, subdivisions 2, 3, and 4; 349.26; 462.651, subdivision 2; Minnesota Statutes 1983 Supplement, sections 273.11, subdivision 7; 290.06, subdivision 2e; 462.651, subdivision 3; 477A.0131, subdivision 2; and 477A.03, subdivision 2; Laws 1983, chapter 342, article 1, section 8.

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 that the Senate has concurred in and adopted the report of the Conference Committee on:

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; providing for an equalized early childhood and family education aid and levy; establishing a programs 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 120.05, subdivision 2; 120.06; 121.09; 121.21; 121.212, subdivision 1; 121.213; 121.214; 121.215; 121.2155; 121.216; 121.218; 121.904, by adding a subdivision; 121.908, by adding a subdivision; 121.912, by adding a subdivision; 121.935, subdivisions 2 and 6; 121.936, subdivision 1; 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; 124.245, subdivision 1; 124.564; 124.565, subdivisions 1, 6, and 7; 124.572, as amended; 124.573, subdivision 3; 125.12, subdivision 3; 125.17, subdivision 2; 125.611, by adding a subdivision; 125.185, subdivision 4; 136A.02, subdivision 6; 275.125, subdivision 9a, and by adding subdivisions; 465.721; 471.61, subdivisions 1 and 2a; and 475.61, subdivision 1; Minnesota Statutes 1983 Supplement, sections 120.17, subdivision 3b; 121.15, subdivision 1; 121.503, subdivision 5; 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 by adding a subdivision; 124.201, subdivisions 2, 4, and 5; 124.2122, subdivisions 1 and 2; 124.2126, subdivision 3; 124.2138; 124.214, subdivision 2; 124.271, subdivision 2b; 124.5611; 124.5612; 124.5614; 124.5615; 124.5616; 124.5617; 124.5618; 124A.06, subdivision 1; 124A.12, subdivision 1; 124A.14; 124A.16; 125.032, subdivision 2a; 129B.02, subdivision 4; 129B.041, subdivisions 1 and 3; 129B.32, subdivision 3; 129B.36, subdivision 7; 136C.01; 136C.02, subdivision 3; 136C.04, subdivisions

7, 10, and by adding a subdivision; 275.125, subdivisions 2e, 2k, 8, 8a, 9b, 11a, 11b, and 11c; 298.28, subdivision 1; 466.06; and 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; 126; 129B; and 136C; repealing Minnesota Statutes 1982, sections 121.217; 124.201, as amended; 124.212, subdivision 1; 124.245, subdivision 1a; 124.246, subdivisions 2a and 5; 124.26, subdivisions 1a and 5; 124.273, subdivisions 1a and 2a; 124.32, subdivisions 1a, 1e, and 2a; 124.565, subdivisions 3 and 4; 124.572, subdivisions 2a, 8, and 8a; 124.573, subdivisions 2a, 3b, 5, and 6; 124.574, subdivisions 2, 2a, 3a, and 8; 125.60; subdivision 2a; 129B.06; 129B.07; 129B.08; 129B.09, as amended; and 275.125, subdivisions 2g and 2h; Minnesota Statutes 1983 Supplement, sections 124.11, subdivisions 2a and 2b; 124.225, subdivision 12; 124.271, subdivision 6; 124.32, subdivision 5a; 124.5613, subdivision 1; 129B.041, subdivision 2; and 275.125, subdivisions 2i and 2j.

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 that the Senate has concurred in and adopted the report of the Conference Committee on:

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; 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 273.13, subdivision 7; 273.1311; 273.1315; 275.50, subdivision 5; 275.51, subdivision 3i; 276.04; 290A.03, subdivisions 8 and 13; 290A.05; and 298.28, subdivision 1; proposing new law coded in Minnesota Statutes, chapters 297 and 340; repealing Minnesota Statutes 1982, sections 298.045; 298.046; 298.047; and 298.048.

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 that the Senate has concurred in and adopted the report of the Conference Committee on:

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 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 that the Senate has concurred in and adopted the report of the Conference Committee on:

H. F. No. 756, A bill for an act relating to notarial acts; 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; changing the term of office for notaries public; increasing the bond amount; providing for transfer of notary public commissions; amending Minnesota Statutes 1982, sections 359.01; and 359.02; proposing new law coded in Minnesota Statutes, chapter 359.

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 Files, herewith returned:

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.

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; 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; and 62D.27.

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. 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.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

H. F. No. 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.

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.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

H. F. No. 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; increasing the bicycle registration fee; 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 as the advisory committee on bicycling; appropriating money; amending Minnesota Statutes 1982, sections 168C.04; 168C.11; Laws 1976, chapter 199, section 14, subdivision 1.

H. F. No. 1695, A bill for an act relating to courts; accelerating the effective date of judicial reorganization in the third and seventh judicial districts; amending Minnesota Statutes 1982, section 487.191.

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. 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, subdivision 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 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 that the Senate has concurred in and adopted the report of the Conference Committee on:

H. F. No. 1427, 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; amending Minnesota Statutes 1982, sections 3.082; 69.775; 136.82, subdivision 1; 352.113, subdivision 3; 352.95, subdivision 1a; 352D.02, by adding a subdivision; 353.34,

by adding a subdivision; 354.62, subdivision 2; 422A.18, subdivision 3; 424.24, subdivision 2; 490.124, subdivision 3; and 490.129; 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; Laws 1980, chapter 600, section 17; and Laws 1981, chapter 68, section 43; 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.

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. FLAHAVER, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

H. F. No. 1347, A bill for an act relating to crimes; prohibiting a person from depriving another of parental, custodial, or visitation rights; imposing penalties; providing for notification in custody or visitation orders of the deprivation of parental rights laws; requiring violations of the parental rights law to be reported under the child abuse reporting law; imposing a penalty; amending Minnesota Statutes 1982, sections 609.26; and 626.556, by adding a subdivision; proposing new law coded in Minnesota Statutes, chapter 518.

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. FLAHAVER, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

H. F. No. 432, A bill for an act relating to soil and water conservation; prohibiting in certain counties practices which cause accelerated erosion or sedimentation; extending the joint legislative committee on agricultural land preservation and conservation; prescribing penalties; appropriating money; amending

Laws 1979, chapter 315, section 2, as amended; proposing new law coded in Minnesota Statutes, chapter 40.

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 that the Senate has concurred in and adopted the report of the Conference Committee on:

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 147.01, subdivision 4; 595.02; 609.341, subdivisions 11 and 14; 609.346; 609.347, subdivision 3; 609.364, subdivision 9; 626.556, subdivision 8; Minnesota Statutes 1983 Supplement, sections 260.315; 609.344; and 609.345; proposing new law coded in Minnesota Statutes, chapter 260.

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 that the Senate has concurred in and adopted the report of the Conference Committee on:

S. F. No. 311.

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. 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.

April 18, 1984

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. 311, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendment and that S. F. No. 311 be further amended as follows:

Page 1, line 14, delete the second "and" and insert a comma

Page 1, line 15, after the comma insert "*and supportive living residences.*"

Page 2, after line 1, insert:

"Sec. 3. Minnesota Statutes 1982, section 245.782, subdivision 6, is amended to read:

Subd. 6. "Residential facility" means any facility, public or private, which for gain or otherwise regularly provides one or more persons with a 24 hour per day substitute for care, food, lodging, training, education, supervision, habilitation, rehabilitation, and treatment they need, but which for any reason cannot be furnished in the person's own home. Residential facilities include, but are not limited to: state institutions under the control of the commissioner of public welfare, foster homes, residential treatment centers, maternity shelters, group homes, residential programs, *supportive living residences for functionally impaired adults*, or schools for handicapped children."

Page 3, delete lines 31 to 34 and insert:

"*Subd. 1a. [STANDARDS FOR SUPPORTIVE LIVING RESIDENCES.] Standards for licensing supportive living residences shall include provisions concerning the referral of adults needing treatment to appropriate programs and the prevention of inappropriate placements in supportive living residences, a maximum bed limit of 40, and provisions discouraging the concentration of supportive living residences in any one region or neighborhood.*"

Page 4, line 5, delete "6" and insert "7"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, after "facilities" insert "and supportive living residences"

Page 1, line 4, after "5," insert "6,"

We request adoption of this report and repassage of the bill.

Senate Conferees: LINDA BERGLIN, MARILYN M. LANTRY and DUANE D. BENSON.

House Conferees: JOHN E. BRANDL, LEE GREENFIELD and TONY ONNEN.

Onnen moved that the report of the Conference Committee on S. F. No. 311 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

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, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 115 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Erickson	Knuth	Otis	Skoglund
Anderson, G.	Evans	Kostohryz	Pauly	Solberg
Battaglia	Findlay	Krueger	Peterson	Sparby
Beard	Fjoslien	Kvam	Piepho	Stadum
Begich	Forsythe	Larsen	Piper	Staten
Bennett	Graba	Levi	Price	Sviggum
Bergstrom	Greenfield	Long	Quist	Swanson
Bishop	Gruenes	Ludeman	Redalen	Thiede
Boo	Gustafson	Mann	Reif	Tomlinson
Brandl	Guknecht	Marsh	Rice	Tunheim
Brinkman	Halberg	McDonald	Riveness	Uphus
Carlson, D.	Haukoos	McKasy	Rodosovich	Valan
Carlson, L.	Heap	Metzen	Rodriguez, C.	Valento
Clark, J.	Heinitz	Munger	Rodriguez, F.	Vanasek
Clark, K.	Hoffman	Murphy	Rose	Voss
Clawson	Hokr	Nelson, D.	St. Onge	Waltman
Cohen	Jacobs	Nelson, K.	Schafer	Welch
Coleman	Jennings	Neuenschwander	Schoenfeld	Walle
DenOuden	Jensen	Norton	Seaberg	Wenzel
Dimler	Johnson	Ogren	Segal	Wigley
Eken	Kahn	Olsen	Shaver	Wynia
Elioff	Kelly	Omann	Sherman	Zaffke
Ellingson	Knickerbocker	Onnen	Simoneau	Speaker Sieben

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

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

S. F. No. 1760.

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. 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.

April 18, 1984

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. 1760, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate concur in the House amendment adopted April 13, 1984, and that S. F. No. 1760 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [COMPENSATION COMPARABILITY STUDY.]

The legislature requests the regents of the University of Minnesota to conduct an objective job evaluation study to determine the extent to which comparability of the value of work is reflected in the salaries of its nonacademic employees, including hospital employees. The study is to include an analysis of compensation comparability for male-dominated, female-dominated, and balanced classes of employees as those classes are defined in Minnesota Statutes, section 43A.02.

Sec. 2. [REPORT OF STUDY.]

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 com-

parability of the value of the work, an estimate of the cost to provide comparability adjustments, and the steps taken to achieve pay equity."

We request adoption of this report and repassage of the bill.

Senate Conferees: EMBER D. REICHGOTT, DONNA C. PETERSON and NANCY BRATAAS.

House Conferees: LYNDON R. CARLSON, JAMES C. SWANSON and DAVID T. BISHOP.

Carlson, L., moved that the report of the Conference Committee on S. F. No. 1760 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

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 third time, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 109 yeas and 12 nays as follows:

Those who voted in the affirmative were:

Anderson, B	Evans	Krueger	Pauly	Skoglund
Anderson, G.	Findlay	Kvam	Peterson	Solberg
Battaglia	Fjoslien	Larsen	Piepho	Sparby
Beard	Forsythe	Levi	Piper	Stadum
Begich	Graba	Long	Price	Staten
Bennett	Greenfield	Mann	Redalen	Sviggum
Bergstrom	Gruenes	Marsh	Reif	Swanson
Bishop	Gustafson	McDonald	Rice	Tomlinson
Boo	Halberg	McEachern	Riveness	Tunheim
Brandl	Heap	Meitzen	Rodosovich	Uphus
Brinkman	Heinitz	Minne	Rodriguez, C.	Valan
Burger	Hoffman	Munger	Rodriguez, F.	Valento
Carlson, L.	Hokr	Murphy	Rose	Vanasek
Clark, J.	Jacobs	Nelson, D.	St. Onge	Vellenga
Clark, K.	Jensen	Nelson, K.	Sarna	Voss
Clawson	Johnson	Neuenschwander	Scheid	Waltman
Cohen	Kahn	Norton	Schoenfeld	Welch
Coleman	Kalis	Ogren	Schreiber	Welle
Dimler	Kelly	Olsen	Seaberg	Wenzel
Eken	Knickerbocker	Omann	Segal	Wynia
Elioff	Knuth	Onnen	Sherman	Speaker Sieben
Ellingson	Kostohryz	Otis	Simoneau	

Those who voted in the negative were:

DenOuden	Haukoos	Quist	Thiede	Wigley
Erickson	Jennings	Schafer	Welker	Zaffke
Gutknecht	Ludeman			

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

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

S. F. No. 1750.

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. 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.

April 18, 1984

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. 1750, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendments and that S. F. No. 1750 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 13.81, subdivision 1, is amended to read:

Subdivision 1. [CRIME REPORTS.] When collected, created, or maintained by law enforcement agencies including municipal police departments, county sheriff departments, fire departments, the bureau of criminal apprehension, the Minnesota state patrol, *department of commerce*, or the peace officers standards and training board:

(a) Data contained on incident complaint reports, variously called logs or dockets, comprising a chronological record of events, shall be public; provided that data on individuals which could reasonably be used to determine the identity of an undercover agent, informant, or victim of criminal sexual conduct or intrafamilial sexual abuse shall be private data on individuals; provided further that any other data classified by law as private or confidential contained in incident complaint reports shall remain private or confidential data.

(b) Data in arrest warrant indices are classified as confidential pursuant to section 13.02, subdivision 3, until the defendant has been taken into custody, served with a warrant, or appears before the court except when the law enforcement agency determines that the public purpose is served by making the information public.

(c) Data which uniquely describes stolen, lost, confiscated, or recovered property or property described in pawn shop transaction records are classified as either private or nonpublic depending on the content of the specific data.

(d) To the extent that the release of program data would reveal the identity of an informant or adversely affect the integrity of the fund, financial records of a program which pays rewards to informants shall be protected nonpublic data in the case of data not on individuals or confidential data in the case of data on individuals.

Sec. 2. Minnesota Statutes 1982, section 13.82, subdivision 1, is amended to read:

Subdivision 1. [APPLICATION.] This section shall apply to agencies which carry on a law enforcement function, including but not limited to municipal police departments, county sheriff departments, fire departments, the bureau of criminal apprehension, the Minnesota state patrol, and (THE SECURITIES AND REAL ESTATE DIVISION OF) the department of commerce.

Sec. 3. Minnesota Statutes 1983 Supplement, section 60A.1701, subdivision 8, is amended to read:

Subd. 8. [MINIMUM EDUCATION REQUIREMENT.] Each person subject to this section shall complete annually a minimum of 20 credit hours of courses accredited by the commissioner. *No person shall be granted more than ten credit hours per year toward the annual requirement as a result of attending accredited courses developed or offered by an insurer employing that person.* Any person teaching or lecturing at an accredited course qualifies for 1-1/2 times the number of credit hours that would be granted to a person completing the accredited course. Credit hours over 20 earned in any one year may be carried forward for the following two years. The commissioner may recognize accredited courses completed in 1983, 1984, or 1985 for the minimum education requirement for 1985.

Sec. 4. 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 described by sections 48.36 to 48.49 or United States Code, title 12, section 92(a);
- (4) (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.

Sec. 5. Minnesota Statutes 1982, section 80A.15, subdivision 2, is amended to read:

Subd. 2. The following transactions are exempted from sections 80A.08 and 80A.16:

(a) Any isolated sales, whether or not effected through a broker-dealer, provided that no person shall make more than five sales of securities of the same issuer pursuant to this exemption during any period of 12 consecutive months; provided further, that in the case of sales by an issuer, except sales of securities registered under the Securities Act of 1933 or exempted by section 3(b) of that act, (1) the seller reasonably believes that all buyers are purchasing for investment, and (2) the securities are not advertised for sale to the general public in newspapers or other publications of general circulation or otherwise, or by radio, television, or direct mailing.

(b) Any nonissuer distribution of an outstanding security if (1) either Moody's, Fitch's or Standard & Poor's Securities Manuals, or other recognized manuals approved by the commissioner contains the names of the issuer's officers and directors, a balance sheet of the issuer as of a date not more than 18 months prior to the date of the sale, and a profit and loss statement for the fiscal year preceding the date of the balance sheet, and (2) the issuer or its predecessor has been in active, continuous business operation for the five-year period next preceding the date of sale, and (3) if the security has a fixed maturity or fixed interest or dividend provision, the issuer has not, within the three preceding fiscal years, defaulted in payment of principal, interest, or dividends on the securities.

(c) The execution of any orders by a licensed broker-dealer for the purchase or sale of any security, pursuant to an unsolicited offer to purchase or sell; provided that the broker-dealer acts as agent for the purchaser or seller, and has no direct material interest in the sale or distribution of the security, receives no commission, profit, or other compensation from any source other than the purchaser and seller and delivers to the purchaser and seller written confirmation of the transaction which clearly itemizes his commission, or other compensation.

(d) Any nonissuer sale of notes or bonds secured by a mortgage lien if the entire mortgage, together with all notes or bonds secured thereby, is sold to a single purchaser at a single sale.

(e) Any judicial sale, exchange, or issuance of securities made pursuant to an order of a court of competent jurisdiction.

(f) The sale, by a pledge holder, of a security pledged with him in good faith as collateral for a bona fide debt.

(g) Any offer or sale to a bank, savings institution, trust company, insurance company, investment company as defined in the Investment Company Act of 1940, pension or profit sharing trust, or other financial institution or institutional buyer, or to a broker-dealer, whether the purchaser is acting for itself or in some fiduciary capacity.

(h) Any sales by an issuer to the number of persons as, when aggregated with the number of persons to whom sales have been made pursuant to (CLAUSES) *clause* (a) or (k), shall not exceed 25 persons in this state (other than those designated in *clause* (g)) during any period of 12 consecutive months, whether or not any of the purchasers is then present in this state, if (1) the issuer reasonably believes that all of the buyers in this state (other than those designated in *clause* (g)) are purchasing for investment, and (2) no commission or other remuneration is paid or given directly or indirectly for soliciting any prospective buyer in this state (other than those designated in *clause* (g)), except reasonable and customary commissions paid by the issuer to a broker-dealer licensed under this chapter, and (3) the issuer has, ten days prior to any sale pursuant to this paragraph, supplied the commissioner with a statement of issuer on forms prescribed by the commissioner, containing the following information: (i) the name and address of the issuer, and the date and state of its organization; (ii) the number of units, price per unit, and a description of the securities to be sold; (iii) the amount of commissions to be paid and the persons to whom they will be paid; (iv) the names of all officers, directors and persons owning five percent or more of the equity of the issuer; (v) a brief description of the intended use of proceeds; (vi) a description of all sales of securities made by the issuer within the 12-month period next preceding the date of filing; and (vii) a copy of the investment letter, if any, intended to be used in connection with any sale. The commissioner may by rule or order as to any security or transaction or any type of security or transaction, withdraw or further condition this exemption, or increase the number or offers and sales permitted, or waive the conditions in (CLAUSES) *clause* (1), (2), or (3) with or without the substitution of a limitation or remuneration.

(i) Any offer (but not a sale) of a security for which a registration statement has been filed under sections 80A.01 to 80A.31, if no stop order or refusal order is in effect and no public proceeding or examination looking toward an order is pending; and any offer of a security if the sale of the security is or would be exempt under this section. The commissioner may by rule exempt offers (but not sales) of securities for which a registration statement has been filed as he deems appropriate, consistent with the purposes of sections 80A.01 to 80A.31.

(j) The offer and sale by a cooperative association organized under chapter 308, of its securities when the securities are offered and sold only to its members, or when the purchase of the securities is necessary or incidental to establishing membership in such association, or when such securities are issued as patronage dividends.

(k) Any offer or sale of securities, including offers and sales pursuant to preorganization subscriptions for the securities of an issuer to be formed, by a corporation having its principal office in this state if, after giving effect thereto, the aggregate number of holders of all of the issuer's securities, all of whom shall have purchased for investment, does not exceed ten, exclusive of persons designated in clause (g), provided that no commission or other remuneration has been paid and no advertising has been published or circulated in connection with the sale, and all sales are consummated within 30 days after commencement of business by the issuer. The commissioner may by rule or order increase the number of persons to whom sales may be made under this exemption.

(l) The issuance and delivery of any securities of one corporation to another corporation or its security holders (IN EXCHANGE FOR THE ACQUISITION BY THE ISSUER OR A SUBSIDIARY OF THE ISSUER OF ALL OR SUBSTANTIAL-
LY ALL OF THE ASSETS OF THE OTHER CORPORATION, OR) in connection with a (CONSOLIDATION OR) merger (OF THE CORPORATION), *exchange of shares, or transfer of assets whereby the approval of stockholders of the other corporation is required to be obtained*, provided, that the commissioner (OF SECURITIES AND REAL ESTATE) has been furnished with a general description of the transaction and with other information as he by rule prescribes not less than ten days prior to the issuance and delivery.

(m) Any transaction between the issuer or other person on whose behalf the offering is made and an underwriter or among underwriters.

(n) The distribution by a corporation of its or other securities to its own security holders as a stock dividend or as a dividend from earnings or surplus or as a liquidating distribution; or upon conversion of an outstanding convertible security; or pursuant to a stock split or reverse stock split.

(o) Any offer or sale of securities by an affiliate of the issuer thereof if: (1) a registration statement is in effect with respect to securities of the same class of the issuer and (2) the offer or sale has been exempted from registration by rule or order of the commissioner.

Sec. 6. Minnesota Statutes 1982, section 80A.30, subdivision 2, is amended to read:

Subd. 2. This section shall not apply to any isolated sale not made or occurring in the course of repeated or successive sale; nor to any judicial sale or any transaction lawfully ordered, authorized, or approved by a court of competent jurisdiction in this state; nor to any sale to a bank or financial institution under the supervision of any instrumentality or officer of the United States or of the commissioner of (BANKS OR OF THE COMMISSIONER OF INSURANCE) *commerce* of this state, or a licensed broker-dealer; nor to any sale made in compliance with the provisions of section 80A.15, subdivision 2, clause (g) or (h). In any complaint, information or indictment charging a sale in violation of this section, it shall not be necessary to specifically name or identify persons other than the complainant to whom like sales have been made.

Sec. 7. Minnesota Statutes 1982, section 82.17, subdivision 3, is amended to read:

Subd. 3. "Commissioner" means the commissioner of (SECURITIES AND REAL ESTATE) *commerce* or his designee.

Sec. 8. Minnesota Statutes 1982, section 82.20, subdivision 8, is amended to read:

Subd. 8. [RENEWALS.] (a) Persons whose applications have been properly and timely filed who have not received notice of denial of renewal are deemed to have been approved for renewal and may continue to transact business either as a real estate broker or salesperson whether or not the renewed license has been received on or before July 1. Application for renewal of a license shall be deemed to have been timely filed if received by the commissioner (ON OR BEFORE) *by, or mailed with proper postage and postmarked by, June 15 in each year.* Applications for renewal shall be deemed properly filed if made upon forms duly executed and sworn to, accompanied by fees prescribed by this chapter and contain any information which the commissioner may require. (AN APPLICATION MAILED SHALL BE DEEMED PROPER AND TIMELY RECEIVED IF ADDRESSED TO THE COMMISSIONER AND POSTMARKED PRIOR TO 12.01 A.M. ON JUNE 14;)

(b) Persons who have failed to make a timely application for renewal of a license and who have not received the renewal license as of July 1, shall be unlicensed until such time as the license has been issued by the commissioner and is received.

Sec. 9. 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 terminates

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.

Sec. 10. Minnesota Statutes 1982, section 82.21, subdivision 1, is amended to read:

Subdivision 1. [AMOUNTS.] The following fees shall be paid to the commissioner:

(a) A fee of \$50 for each initial individual broker's license, and a fee of \$25 for each annual renewal thereof;

(b) A fee of \$25 for each initial salesperson's license, and a fee of \$10 for each annual renewal thereof;

(c) A fee of \$50 for each initial corporate or partnership license, and a fee of \$25 for each annual renewal thereof;

(d) A fee not to exceed \$40 per year for payment to the education, research and recovery fund in accordance with section 82.34;

(e) A fee of \$10 for each transfer;

(f) A fee of \$25 for a corporation or partnership name change;

(g) A fee of \$5 for an agent name change;

(h) A fee of \$10 for a license history;

(i) A fee of \$15 for a NSF check;

(j) A fee of \$50 for an initial course approval;

(k) A fee of \$10 for notices of repeat course offerings;

(l) A fee of \$50 for instructor or coordinator approval; and

(m) A fee of \$5 for a duplicate license.

Sec. 11. Minnesota Statutes 1982, section 82.22, subdivision 2, is amended to read:

Subd. 2. [BROKER'S EXAMINATION.] (a) The examination for a real estate broker's license shall be more exacting than that for a real estate salesperson, and shall require a higher degree of knowledge of the fundamentals of real estate practice and law.

(b) Every application for a broker's examination shall be accompanied by proof that the applicant has had a minimum of two years of actual experience *within the previous five-year period prior to application* as a licensed real estate salesperson in this or in another state having comparable requirements or is, in the opinion of the commissioner, otherwise or similarly qualified by reason of education or practical experience. *The applicant shall have completed educational requirements in accordance with section 82.22, subdivision 6.* An applicant for a limited broker's license pursuant to section 82.20, subdivision 13, shall not be required to have a minimum of two years of actual experience as a real estate person in order to obtain a limited broker's license to act as principal only.

Sec. 12. Minnesota Statutes 1982, section 82.22, subdivision 5, is amended to read:

Subd. 5. [PERIOD FOR APPLICATION.] An applicant who obtains an acceptable score on a salesperson's examination must file an application (FOR) *and obtain* the license within one year of the date of successful completion of the examination or a second examination must be taken to qualify for the license. *If*

a new examination is required, prelicense education must be completed in accordance with section 82.22, subdivision 6.

Sec. 13. Minnesota Statutes 1983 Supplement, section 82.22, subdivision 6, is amended to read:

Subd. 6. [INSTRUCTION; NEW LICENSES.] (a) Every salesperson, licensed after July 1, 1973 and before July 1, 1976 shall, within two years of the date his license was first granted be required to successfully complete a course of study in the real estate field consisting of not less than 60 hours of instruction, approved by the commissioner. Upon appropriate showing of hardship by the licensee, or for persons licensed pursuant to section 82.20, subdivision 1, clause (b), the commissioner may waive or modify the requirements of this subdivision. Every salesperson licensed after July 1, 1976 and before July 1, 1978 shall, within three years of the date his license was first issued, be required to successfully complete a course of study in the real estate field consisting of not less than 90 hours of instruction, approved by the commissioner;

(b) After July 1, 1978, and before January 1, 1984, every applicant for a salesperson's license shall be required to successfully complete a course of study in the real estate field consisting of 30 hours of instruction approved by the commissioner before taking the examination specified in subdivision 1. Every salesperson licensed after July 1, 1978, and before January 1, 1984, shall, within one year of the date his license was first issued, be required to successfully complete a course of study in the real estate field consisting of 60 hours of instruction approved by the commissioner.

(c) After December 31, 1983, every applicant for a salesperson's license shall be required to successfully complete a course of study in the real estate field consisting of 30 hours of instruction approved by the commissioner before taking the examination specified in subdivision 1. After December 31, 1983, every applicant for a salesperson's license shall be required to successfully complete an additional course of study in the real estate field consisting of 30 hours of instruction approved by the commissioner before filing an application for the license. Every salesperson licensed after December 31, 1983, shall, within one year of the date his license was first issued, be required to successfully complete a course of study in the real estate field consisting of 30 hours of instruction approved by the commissioner.

(d) The commissioner may approve courses of study in the real estate field offered in educational institutions of higher learning in this state or courses of study in the real estate field developed by and offered under the auspices of the national association of realtors, its affiliates, or private real estate schools
(LICENSED BY THE STATE DEPARTMENT OF EDUCA-

TION). The commissioner may by rule prescribe the curriculum and qualification of those employed as instructors.

Sec. 14. 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 inclusive. 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.

Sec. 15. Minnesota Statutes 1983 Supplement, section 82.34, subdivision 7, is amended to read:

Subd. 7. When any aggrieved person obtains a final judgment in any court of competent jurisdiction against (ANY PERSON) *an individual* licensed under this chapter, on grounds of fraudulent, deceptive or dishonest practices, or conversion of trust funds arising directly out of any transaction when the judgment debtor was licensed and performed acts for which a license is required under this chapter, or performed acts permitted by section 327.55, subdivision 1a, and which cause of action occurred on or after July 1, 1973, the aggrieved person may, upon the judgment becoming final, and upon termination of all proceedings, including reviews and appeals, file a verified application in the court in which the judgment was entered for

an order directing payment out of the recovery portion of the fund of the amount of actual and direct out of pocket loss in the transaction, but excluding any attorney's fees, interest on the loss and on any judgment obtained as a result of the loss, up to the sum of \$20,000 of the amount unpaid upon the judgment, provided that nothing in this chapter shall be construed to obligate the fund for more than \$20,000 per transaction, subject to the limitations set forth in subdivisions 12 and 14, regardless of the number of persons aggrieved or parcels of real estate involved in the transaction. A copy of the verified application shall be served upon the commissioner and upon the judgment debtor, and a certificate or affidavit of service filed with the court. For the purpose of this section "aggrieved person" shall not include a real estate licensee (WHO IS SEEKING TO RECOVER A COMMISSION) *unless (1) the licensee is acting in the capacity of principal in the sale of interests in real property owned by the licensee; or (2) the licensee is acting in the capacity of principal in the purchase of interests in real property to be owned by the licensee. Under no circumstances shall a real estate licensee be entitled to payment under this section for the loss of a commission.*

Sec. 16. [345.25] [BONDS ISSUED BY RELIGIOUS ORGANIZATIONS.]

Bonds issued by religious organizations are exempt from sections 345.31 to 345.60 and are not otherwise subject to escheat.

Sec. 17. Minnesota Statutes 1982, section 345.32, is amended to read:

345.32 [PROPERTY HELD BY BANKING OR FINANCIAL ORGANIZATIONS OR BY BUSINESS ASSOCIATIONS.]

The following property held or owing by a banking or financial organization or by a business association is presumed abandoned:

(a) Any demand, savings or matured time deposit made in this state with a banking organization, together with any interest or dividend thereon, excluding contracted service charges which may be deducted for a period not to exceed one year, unless the owner has, within five years:

(1) increased or decreased the amount of the deposit, or presented the passbook or other similar evidence of the deposit for the crediting of interest; or

(2) corresponded in writing with the banking organization concerning the deposit; or

(3) otherwise indicated an interest in the deposit as evidenced by a memorandum on file with the banking organization; or

(4) received tax reports or regular statements of the deposit by mail from the banking or financial organization regarding the deposit. Receipt of the statement by the owner should be presumed if the statement is mailed first class by the banking or financial organization and not returned; or

(5) acted as provided in paragraphs (1), (2), (3) and (4) of this subsection in regard to another demand, savings or time deposit made with the banking or financial organization.

(b) Any funds or dividends deposited or paid in this state toward the purchase of shares or other interest in a business association where the stock certificates or other evidence of interest in the business have not been issued, or in a financial organization, and any interest or dividends thereon, excluding contracted service charges which may be deducted for a period not to exceed one year, unless the owner has within five years:

(1) increased or decreased the amount of the funds or deposit, or presented an appropriate record for the crediting of interest or dividends; or

(2) corresponded in writing with the financial organization concerning the funds or deposit; or

(3) otherwise indicated an interest in the funds or deposit as evidenced by a memorandum on file with the financial organization; or

(4) received tax reports or regular statements of the deposit or accounting by mail from the financial organization or business association regarding the deposit. Receipt of the statement by the owner should be presumed if the statement is mailed first class by the financial organization or business association and not returned.

(c) Any sum, excluding contracted service charges which may be deducted for a period not to exceed one year, payable on checks certified in this state or on written instruments issued in this state, or issued in any other state the law in which for any reason does not apply to the abandonment of sums payable on checks certified in that state or written instruments issued in that state, on which a banking or financial organization or business association is directly liable, including, by way of illustration but not of limitation, drafts, money orders and traveler's checks, that has been outstanding for more than five years from the date it was payable, or from the date of its issuance if payable on demand, or, in the case of traveler's checks, has been out-

standing for more than 15 years from the date of its issuance, or, in the case of money orders, has been outstanding for more than seven years from the date of its issuance, unless the owner has within five years, or within 15 years in the case of traveler's checks, or within seven years in the case of money orders, corresponded in writing with the banking or financial organization or business association concerning it, or otherwise indicated an interest as evidenced by a memorandum on file with the banking or financial organization or business association.

(d) Any funds or other personal property, tangible or intangible, removed from a safe deposit box or any other safekeeping repository in this state on which the lease or rental period has expired due to nonpayment of rental charges or other reason, that have been unclaimed by the owner for more than five years from the date on which the lease or rental period expired.

(1) If the amount due for the use or rental of a safe deposit box has remained unpaid for a period of six months, the bank, savings bank, trust company, savings and loan, or safe deposit company shall, within 60 days of the expiration of that period, send by certified mail, addressed to the renter or lessee of the safe deposit box, directed to the address standing on its books, a written notice that, if the amount due for the use or rental of the safe deposit box is not paid within 60 days after the date of the mailing of the notice, it will cause the safe deposit box to be opened and its contents placed in one of its general safe deposit boxes.

(2) Upon the expiration of 60 days from the date of mailing the notice, and in default of payment within the 60 days of the amount due for the use or rental of the safe deposit box, the bank, savings bank, trust company, savings and loan, or safe deposit company, in the presence of its president, vice-president, secretary, treasurer, assistant secretary, assistant treasurer or superintendent, or such other person as specifically designated by its board of directors, and of a notary public not in its employ, shall cause the safe deposit box to be opened and the contents thereof, to be removed and sealed by the notary public in a package, *in which he shall enclose a detailed description of the contents of the safe deposit box and upon which he shall mark the name of the renter or lessee (AND ALSO THE ESTIMATED VALUE OF THE CONTENTS OF THE SAFE DEPOSIT BOX)* and, in the presence of one of the bank officers listed above, the notary public shall place the package in one of the bank's general safe deposit boxes and set out the proceedings in a certificate under his official seal, which shall be delivered to the bank, savings bank, trust company, savings and loan, or safe deposit company.

(3) The bank, savings bank, trust company, savings and loan, or safe deposit company shall hold the contents of abandoned safe deposit boxes until they are claimed by the owner

or the bank turns them over to the state treasurer pursuant to chapter 345.

Sec. 18. Minnesota Statutes 1982, section 345.47, subdivision 1, is amended to read:

Subdivision 1. Except as provided in subdivision 3, all abandoned property other than money delivered to the (STATE TREASURER) commissioner under sections 345.31 to 345.60 shall (WITHIN ONE YEAR AFTER THE DELIVERY) be sold by him to the highest bidder at public sale in whatever city in the state affords in his judgment the most favorable market for the property involved. *The commissioner shall hold the sale whenever he deems necessary but at least once every ten years.* The (STATE TREASURER) commissioner may decline the highest bid and reoffer the property for sale if he considers the price bid insufficient. He need not offer any property for sale if, in his opinion, the probable cost of sale exceeds the value of the property.

Sec. 19. Minnesota Statutes 1982, section 345.48, is amended to read:

345.48 [DEPOSIT OF FUNDS.]

Subdivision 1. All funds received under sections 345.31 to 345.60, including the proceeds from the sale of abandoned property pursuant to section 345.47, shall forthwith be deposited by the state treasurer in the general fund of the state (, EXCEPT THAT HE SHALL RETAIN IN A SEPARATE TRUST FUND AN AMOUNT NOT EXCEEDING \$25,000 FROM WHICH HE SHALL MAKE PROMPT PAYMENT OF CLAIMS DULY ALLOWED BY HIM AS HEREINAFTER PROVIDED). Before making the deposit he shall record the name and last known address of each person appearing from the holders' reports to be entitled to the abandoned property and of the name and last known address of each policyholder, insured person, or annuitant, and with respect to each policy or contract listed in the report of a life insurance corporation; its number, the name of the corporation, and the amount due. The record shall be available for public inspection at all reasonable business hours.

Sec. 20. Minnesota Statutes 1982, section 345.49, is amended to read:

345.49 [CLAIM FOR ABANDONED PROPERTY PAID OR DELIVERED.]

Subdivision 1. [FILING.] Any person claiming an interest in any property delivered to the state under sections 345.31 to 345.60 may file a claim thereto or to the proceeds from the sale thereof on the form prescribed by the (STATE TREASURER) commissioner.

Subd. 2. [APPROPRIATION.] There is hereby appropriated to the persons entitled to a refund, from the fund in the state treasury to which the money was credited, an amount sufficient to make the refund and payment.

Sec. 21. [EFFECTIVE DATE.]

Section 3 is effective July 1, 1985."

Delete the title and insert:

"A bill for an act relating to commerce; providing for the classification of crime reports of the department of commerce; providing a certain limitation on insurance agent continuing education requirements; 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 60A.1701, subdivision 8; 82.22, subdivisions 6 and 13; and 82.34, subdivision 7; proposing new law coded in Minnesota Statutes, chapter 345."

We request adoption of this report and repassage of the bill.

Senate Conferees: DARRIL WEGSCHEID, MICHAEL O. FREEMAN and RON SIELOFF.

House Conferees: GLORIA SEGAL, JAMES METZEN and JOHN SARNA.

Segal moved that the report of the Conference Committee on S. F. No. 1750 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

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, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 122 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

Mr. Speaker:

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

H. F. No. 1966, A bill for an act relating to public welfare; providing for the collection of statistical data by the department of health on dissolutions and annulments; restricting the use of certain descriptive words to certain licensed facilities; providing for collection of health care cost information; limiting relative responsibility for state hospital costs; 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 relating to asset transfers; increasing the personal needs allowance; allowing reimbursement for additional services under general assistance medical care; providing for recoupment of overpayments in the general assistance and supplemental aid programs; requiring county investigations; requiring a cost-of-living adjustment to the schedule of contribution of a noninstitutionalized spouse; appropriating money; amending Minnesota Statutes 1982, sections 144.224; 144.695; 144.696; 144.698; 144.699; 144.701; 144.702; 144.703; 246.50, subdivision 6; 256.045, subdivisions 2, 4, 5, and 7; 256B.17, as amended; 256B.19, subdivision 1; 256B.35, subdivision 1; 256D.06, by adding a subdivision; 261.035; Minnesota Statutes 1983 Supplement, sections 256.045, subdivision 3; 256.968; 256.969, subdivisions 2 and 6; and 256B.06, subdivision 1; 256D.03, subdivision 4; proposing new law coded in Minnesota Statutes, chapters 144; 256D and 518; repealing Minnesota Statutes 1982, sections 144.7021; 144.704; and 144.705.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Greenfield moved that the House concur in the Senate amendments to H. F. No. 1966 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1966, A bill for an act relating to public welfare; providing for the collection of statistical data by the department of health on dissolutions and annulments; restricting the use of certain descriptive words to certain licensed facilities; providing for collection of health care cost information; limiting relative responsibility for state hospital costs; 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; extending administrative aid to counties; 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 relating to asset transfers; increasing the personal needs allowance; reimbursement for additional services under general assistance medical care; providing for recovery of supplemental aid; requiring county investigations; requiring a cost-of-living adjustment to the schedule of contribution of a noninstitutionalized spouse; appropriating money; amending Minnesota Statutes 1982, sections 144.224; 144.695; 144.696; 144.698; 144.699; 144.701; 144.702; 144.703; 246.50, subdivision 6; 256.045, subdivisions 2, 4, 5, and 7; 256B.17, as amended; 256B.19, subdivision 1; 256B.35, subdivision 1; 261.035; Minnesota Statutes 1983 Supplement, sections 256.045, subdivision 3; 256.968; 256.969, subdivisions 2 and 6; and 256B.06, subdivision 1; proposing new law coded in Minnesota Statutes, chapters 144; 256D and 518; repealing Minnesota Statutes 1982, sections 144.7021; 144.704; and 144.705.

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

The question was taken on the repassage of the bill and the roll was called. There were 108 yeas and 9 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Erickson	Kelly	Oänen	Skoglund
Anderson, G.	Evans	Knickerbocker	Otis	Solberg
Anderson, R.	Findlay	Knuth	Pauly	Sparby
Battaglia	Fjoslien	Kostohryz	Peterson	Stadum
Beard	Forsythe	Krueger	Piepho	Staten
Begich	Graba	Kvam	Piper	Swanson
Bennett	Greenfield	Larsen	Price	Tomlinson
Bergstrom	Gruenes	Levi	Quist	Tunheim
Bishop	Gustafson	Long	Redalen	Valan
Brandl	Gutknecht	Mann	Rodosovich	Valento
Burger	Halberg	McEachern	Rodriguez, C.	Vanasek
Carlson, D.	Haukoos	McKasy	Rodriguez, F.	Vellenga
Carlson, L.	Heap	Metzen	Rose	Voss
Clark, J.	Heinitz	Minne	St. Onge	Waltman
Clark, K.	Himle	Munger	Sarna	Welch
Clawson	Hoffman	Murphy	Scheid	Welle
Cohen	Hokr	Nelson, D.	Schoenfeld	Wenzel
Coleman	Jacobs	Nelson, K.	Schreiber	Wigley
DenOuden	Jensen	Neuenschwander	Segal	Wynia
Eken	Johnson	O'Connor	Shaver	Speaker Sieben
Elioff	Kahn	Ogren	Sherman	
Ellingson	Kalis	Olsen	Simoneau	

Those who voted in the negative were:

Dimler	Jennings	McDonald	Seaberg	Welker
Frerichs	Ludeman	Schafer	Sviggum	

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

SPECIAL ORDERS

There being no objection the House advanced to S. F. No. 1243.

S. F. No. 1243, A resolution memorializing the President and Congress to establish a National Academy of Peace and Conflict Resolution.

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

The question was taken on the passage of the bill and the roll was called. There were 111 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Findlay	Kvam	Piper	Stadum
Anderson, G.	Forsythe	Larsen	Price	Staten
Battaglia	Greenfield	Levi	Quist	Sviggum
Beard	Gruenes	Long	Reif	Swanson
Begich	Gustafson	Mann	Rice	Tomlinson
Bennett	Gutknecht	Marsh	Riveness	Tunheim
Bergstrom	Halberg	McEachern	Rodosovich	Uphus
Bishop	Haukoos	McKasy	Rodriguez, C.	Valan
Boo	Heap	Metzen	Rodriguez, F.	Vanasek
Brandl	Heinitz	Minne	Rose	Vellenga
Brinkman	Himle	Munger	St. Onge	Voss
Burger	Hoffman	Murphy	Sarna	Waltman
Carlson, D.	Jacobs	Nelson, D.	Scheid	Welch
Carlson, L.	Jennings	Nelson, K.	Schoenfeld	Welle
Clark, J.	Jensen	Neuenschwander	Schreiber	Wenzel
Clark, K.	Johnson	O'Connor	Seaberg	Wigley
Clawson	Kahn	Ogren	Segal	Wynia
Cohen	Kalis	Olsen	Shaver	Zafke
Coleman	Kelly	Onnen	Sherman	Speaker Sieben
Eken	Knickerbocker	Otis	Simoneau	
Elioff	Knuth	Pauly	Skoglund	
Ellingson	Kostohryz	Peterson	Solberg	
Erickson	Krueger	Piepho	Sparby	

The bill was passed and its title agreed to.

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

The bill was passed and its title agreed to.

S. F. No. 2109, 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 third 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.	Burger	Erickson	Heap	Knuth
Anderson, G.	Carlson, D.	Evans	Heinitz	Kostohryz
Anderson, R.	Carlson, L.	Findlay	Himle	Krueger
Battaglia	Clark, J.	Fjoslien	Hoffman	Kvam
Beard	Clark, K.	Forsythe	Hokr	Larsen
Begich	Clawson	Frerichs	Jacobs	Levi
Bennett	Cohen	Graba	Jennings	Long
Bergstrom	Coleman	Greenfield	Jensen	Mann
Bishop	Dimler	Gruenes	Johnson	Marsh
Boo	Eken	Gustafson	Kalis	McDonald
Brandl	Elioff	Gutknecht	Kelly	McEachern
Brinkman	Ellingson	Halberg	Knickerbocker	McKasy

Metzen	Otis	Rodriguez, C.	Sherman	Valan
Minne	Pauly	Rodriguez, F.	Simoneau	Vanasek
Munger	Peterson	Rose	Skoglund	Vellenga
Murphy	Piepho	St. Onge	Solberg	Voss
Nelson, D.	Piper	Sarna	Sparby	Waltman
Nelson, K.	Price	Scheid	Stadum	Welch
Neuenschwander	Quist	Schoenfeld	Staten	Welle
Norton	Redalen	Schreiber	Sviggum	Wenzel
O'Connor	Reif	Seaberg	Swanson	Wigley
Ogren	Rice	Segal	Tomlinson	Wynia
Olsen	Riveness	Shaver	Tunheim	Zaffke
Omann	Rodosovich	Shea	Uphus	Speaker Sieben

The bill was passed and its title agreed to.

S. F. No. 531, A resolution memorializing the President and Congress of the United States to provide medical care for former members of the military forces who were exposed to atomic radiation in the course of their duties.

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

The question was taken on the passage of the bill and the roll was called. There were 119 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

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 third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 114 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Evans	Kostohryz	Otis	Skoglund
Anderson, G.	Findlay	Krueger	Pauly	Solberg
Anderson, R.	Fjoslien	Kvam	Peterson	Sparby
Battaglia	Forsythe	Larsen	Piepho	Stadum
Beard	Frerichs	Levi	Piper	Staten
Begich	Graba	Long	Price	Sviggum
Bennett	Greenfield	Mann	Redalen	Swanson
Bergstrom	Gruenes	Marsh	Reif	Tomlinson
Bishop	Gustafson	McEachern	Rice	Tunheim
Boo	Gutknecht	McKasy	Riveness	Uphus
Brandl	Halberg	Metzen	Rodosovich	Valan
Brinkman	Haukoos	Minne	Rodriguez, F.	Vanasek
Carlson, D.	Heap	Munger	Rose	Vellenga
Carlson, L.	Himle	Murphy	St. Onge	Voss
Clark, J.	Hoffman	Nelson, D.	Scheid	Waltman
Clark, K.	Hokr	Nelson, K.	Schoenfeld	Welch
Clawson	Jacobs	Neuenschwander	Schreiber	Welle
Cohen	Jennings	Norton	Seaberg	Wenzel
Coleman	Jensen	Ogren	Segal	Wigley
Eken	Johnson	Olsen	Shaver	Wynia
Elioff	Kelly	Omann	Shea	Zaffke
Ellingson	Knickerbocker	Onnen	Sherman	Speaker Sieben
Erickson	Knuth	Osthoff	Simoneau	

The bill was passed and its title agreed to.

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 third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 113 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Burger	Frerichs	Hokr	Levi
Anderson, G.	Carlson, L.	Graba	Jacobs	Long
Anderson, R.	Clark, J.	Greenfield	Jensen	Mann
Battaglia	Clawson	Gruenes	Johnson	Marsh
Beard	Cohen	Gustafson	Kahn	McKasy
Begich	Coleman	Gutknecht	Kelly	Minne
Bennett	Eken	Halberg	Knickerbocker	Munger
Bergstrom	Elioff	Haukoos	Knuth	Murphy
Bishop	Ellingson	Heap	Kostohryz	Nelson, D.
Boo	Erickson	Heinitz	Krueger	Nelson, K.
Brandl	Findlay	Himle	Kvam	Neuenschwander
Brinkman	Forsythe	Hoffman	Larsen	Norton

O'Connor	Price	Sarna	Sparby	Voss
Ogren	Quist	Scheid	Stadum	Waltman
Olsen	Redalen	Schoenfeld	Staten	Welch
Omann	Reif	Schreiber	Swiggum	Welle
Onnen	Rice	Seaberg	Swanson	Wenzel
Osthoff	Riveness	Segal	Tomlinson	Wigley
Otis	Rodosovich	Shaver	Tunheim	Wynia
Pauly	Rodriguez, C.	Sherman	Uphus	Zaffke
Peterson	Rodriguez, F.	Simoneau	Valan	Speaker Sieben
Piepho	Rose	Skoglund	Vanasek	
Piper	St. Onge	Solberg	Vellenga	

The bill was passed and its title agreed to.

H. F. No. 2312 was reported to the House.

Graba moved to amend H. F. No. 2312, as follows:

Page 1, line 19, after "*facilities*" insert a period

The motion prevailed and the amendment was adopted.

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 third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 118 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

MOTION FOR RECONSIDERATION

Sparby moved that the vote whereby H. F. No. 1502, as amended by the Senate, was not passed on Thursday, April 19, 1984, be now reconsidered.

A roll call was requested and properly seconded.

CALL OF THE HOUSE

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

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

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

The Speaker called Brandl to the Chair.

The question was taken on the Sparby motion and the roll was called.

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

There were 59 yeas and 71 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Beard	Boo	Clark, J.	Coleman
Anderson, R.	Begich	Carlson, D.	Clark, K.	Eken
Battaglia	Bergstrom	Carlson, L.	Clawson	Ellingson

Graba	Long	Norton	Rodriguez, F.	Tomlinson
Greenfield	Mann	Ogren	St. Onge	Tunheim
Gustafson	McEachern	Omann	Sarna	Vanasek
Hoffman	Metzen	Otis	Scheid	Vellenga
Jacobs	Minne	Piper	Sherman	Voss
Kahn	Munger	Rice	Solberg	Wynia
Kalis	Murphy	Riveness	Sparby	Zaffke
Knuth	Nelson, D.	Rodosovich	Staten	Speaker Sieben
Larsen	Neuenschwander	Rodriguez, C.	Sviggum	

Those who voted in the negative were:

Anderson, G.	Forsythe	Kostohryz	Piepho	Stadium
Bennett	Frerichs	Krueger	Price	Thiede
Bishop	Gruenes	Kvam	Quist	Uphus
Blatz	Gutknecht	Levi	Redalen	Valan
Brandl	Halberg	Ludeman	Reif	Valento
Brinkman	Haukoos	Marsh	Rose	Waltman
Burger	Heap	McDonald	Schafer	Welch
Cohen	Heinitz	McKasy	Schoenfeld	Welker
DenOuden	Himle	Nelson, K.	Schreiber	Welle
Dimler	Hokr	O'Connor	Seaberg	Wenzel
Elioff	Jennings	Olsen	Segal	Wigley
Erickson	Jensen	Onnen	Shaver	
Evans	Johnson	Osthoff	Shea	
Findlay	Kelly	Pauly	Simoneau	
Fjoslien	Knickerbocker	Peterson	Skoglund	

The motion did not prevail.

The Speaker resumed the Chair.

CALL OF THE HOUSE LIFTED

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

The following conference committee reports were received:

CONFERENCE COMMITTEE REPORT ON H. F. NO. 1386

A bill for an act relating to children; authorizing intervention by the juvenile court to protect children from abuse committed by family or household members; prohibiting public inspection of certain court records relating to the identity of criminal sexual conduct victims; clarifying a term in the child abuse reporting law; amending Minnesota Statutes 1982, sections 260.015, by adding subdivisions; 260.111, by adding a subdivision; and 260.191, by adding a subdivision; Minnesota Statutes 1983 Supplement, section 626.556, subdivision 2; proposing new law coded in Minnesota Statutes, chapters 260 and 609.

April 19, 1984

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

The Honorable Jerome M. Hughes
President of the Senate

We, the undersigned conferees for H. F. No. 1386, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment and that H. F. No. 1386 be further amended as follows:

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:

(1) *any physical injury to a minor family or household member inflicted by an adult family or household member other than by accidental means; or*

(2) *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 alleged 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 subdivision to a referee to take and report the evidence in the action. If the respondent does not appear after service is 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 by 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. The court may grant relief as it deems proper, including an order:

(1) restraining any party from committing acts of domestic child abuse; or

(2) excluding the alleged abusing party from the dwelling which the family or household members share or from the residence of the child.

However, no order excluding the alleged 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.

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 per-

sonally 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 of 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, 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 or maintenance for a period of 30 days for minor children or a spouse;

(5) provide counseling or other social services for the family or household members; or

(6) order the abusing party to participate in treatment or counseling services.

Any relief granted by the order for protection shall be for a fixed period not to exceed one year.

However, 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. Minnesota Statutes 1982, section 260.191, is amended by adding a subdivision to read:

Subd. 1b. [SUPPORT ORDERS.] If the court issues an order for protection pursuant to section 5 excluding an abusing party from the dwelling who is the parent of a minor family or household member, it shall transfer the case file to the court which has jurisdiction over proceedings under chapter 518 for the purpose of establishing support or maintenance for minor children or a spouse, as provided in chapter 518, during the effective period of the order for protection. The court to which the case file is transferred shall schedule and hold a hearing on the establishment of support or maintenance within 30 days of the issuance of the order for protection. After an order for support or maintenance has been granted or denied, the case file shall be returned to the juvenile court, and the order for support or maintenance, if any, shall be incorporated into the order for protection.

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 restrain-

ing 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 pursuant 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 the person violating the order shall be subject to the penalties for contempt.

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 an 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. 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 failure to perform a duty required by subdivision 2 of this section.

Sec. 8. Minnesota Statutes 1983 Supplement, section 388.051, subdivision 2, is amended to read:

Subd. 2. [SPECIAL PROVISION; GROSS MISDEMEANORS.] In Anoka, Carver, Dakota, Hennepin, Scott, and Washington counties, only the county attorney shall (ONLY) prosecute gross misdemeanor violations of sections 290.53, subdivisions 4 and 8; 290.92, subdivision 15; 290A.11, subdivision 2; 297A.08; 297A.39, subdivisions 4 and 8; 297B.10; 609.255, subdivision 3; 609.377; 609.378; (AND) 609.41; and 617.247.

Sec. 9. [609.3471] [RECORDS PERTAINING TO VICTIM IDENTITY CONFIDENTIAL.]

Notwithstanding any provision of law to the contrary, none of the records or reports relating to complaints or indictments issued pursuant to sections 609.342, clauses (a) or (b); 609.343, clauses (a) or (b); 609.344, clauses (a) or (b); 609.345, clauses (a) or (b); or 609.3641 to 609.3644, pertaining to the identity of the victim shall be open to public inspection, except by order of the court.

Sec. 10. 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, or by a person in a position of authority, as defined in section 609.341, subdivision 10, 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 *whether paid or unpaid*, 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.

Sec. 11. [EFFECTIVE DATE.]

Sections 1 to 7 apply to acts of domestic child abuse committed on or after August 1, 1984. Sections 8 to 10 are effective August 1, 1984."

Delete the title in its entirety and insert:

"A bill for an act relating to children; authorizing intervention by the juvenile court to protect children from abuse committed by family or household members; providing for prosecution by the county attorney of certain gross misdemeanors; prohibiting public inspection of certain court records relating to the identity of criminal sexual conduct victims; clarifying a term in the child abuse reporting law; amending Minnesota Statutes 1982, sections 260.015, by adding subdivisions; 260.111, by adding a subdivision; 260.191, by adding subdivisions; and Minnesota Statutes 1983 Supplement, sections 388.051, subdivision 2; and 626.556, subdivision 2; proposing new law coded in Minnesota Statutes, chapters 260 and 609."

We request adoption of this report and repassage of the bill.

House Conferees: JANET CLARK, LEE GREENFIELD and CONNIE LEVI.

Senate Conferees: ERIC D. PETTY, EMBER D. REICHGOTT and JIM RAMSTAD.

Clark, J., moved that the report of the Conference Committee on H. F. No. 1386 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 1386, A bill for an act relating to children; authorizing intervention by the juvenile court to protect children from abuse committed by family or household members; prohibiting public inspection of certain court records relating to the identity of criminal sexual conduct victims; clarifying a term in the child abuse reporting law; amending Minnesota Statutes 1982, sections 260.015, by adding subdivisions; 260.111, by adding a subdivision; and 260.191, by adding a subdivision; Minnesota Statutes 1983 Supplement, section 626.556, subdivision 2; proposing new law coded in Minnesota Statutes, chapters 260 and 609.

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

The question was taken on the repassage of the bill and the roll was called. There were 120 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

CONFERENCE COMMITTEE REPORT ON 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.

April 19, 1984

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

The Honorable Jerome M. Hughes
President of the Senate

We, the undersigned conferees for H. F. No. 1425, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment and that H. F. No. 1425 be further amended as follows:

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 a base 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 a base percent solids not fat.

In addition, an 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) and (3) 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."

We request adoption of this report and repassage of the bill.

House Conferees: RICK KRUEGER, STEPHEN G. WENZEL and JERRY GRABA.

Senate Conferees: DARRIL WEGSCHEID, JOHN BERNHAGEN and LEROY A. STUMPF.

Krueger moved that the report of the Conference Committee on H. F. No. 1425 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

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, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 121 yeas and 1 nay as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Welker

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

Eken moved that the House recess subject to the call of the Chair. The motion prevailed.

RECESS

RECONVENED

The House reconvened and was called to order by the Speaker.

MESSAGES FROM THE SENATE, Continued

The following messages were received from the Senate:

Mr. Speaker:

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

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.

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.

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. 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.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 229, A bill for an act relating to health; allowing any interested person to seek enforcement of certain patient rights; requiring disclosure of certain medical data or medical information for purposes of a lawful investigation; amending Minnesota Statutes 1982, sections 13.42, subdivision 2; 144.335; 254A.09; and Minnesota Statutes 1983 Supplement, section 144.651, subdivision 1.

The Senate has appointed as such committee Messrs. Spear, Merriam and Sieloff.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

The Speaker called Wynia to the Chair.

Mr. Speaker:

I hereby announce that the Senate has rejected the recommendations and Conference Committee Report on H. F. No. 1743 and requests that the Conference Committee be discharged and a new Conference Committee be appointed.

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.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Sparby moved that the House accede to the request of the Senate and that the Speaker appoint a new Conference Committee of 3 members to confer with a like committee on the part of the Senate on H. F. No. 1743. 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. 1743:

Sparby, Heinitz and Metzen.

MESSAGES FROM THE SENATE, Continued

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

S. F. No. 1762.

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. 1762

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, subdivision 3; 363.071, by adding a subdivision; 363.116; 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.

April 19, 1984

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. 1762, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate concur in the House amendment and that S. F. No. 1762 be further amended as follows:

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 written settlement of an existing, identified claim, whether by grievance, mediation, arbitration, or other settlement agreement.

Sec. 2. 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 unless the 300 days plus a period of time equal to the suspension period has passed.

Sec. 3. 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 determina-

tion 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 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 hearing examiner shall adopt policies to provide sanctions for intentional and frivolous delay caused by any charging party or respondent in an investigation, hearing, or any other aspect of proceedings before the department under this chapter.*

Sec. 4. 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 probable cause nor of no 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. 5. 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, AND,) in an amount up to three times the actual damages sustained.* In all cases, the examiner may also order the respondent to pay an aggrieved party, who has suffered discrimination, *damages for mental anguish or suffering and reasonable attorney's fees, in addition to 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, the charging party by registered or certified mail, and shall furnish copies to the attorney general and the commissioner.

Sec. 6. 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 review in accordance with chapter 14. *The attorney general shall represent on appeal, a charging party who prevailed at a hearing authorized by section 4, if the charging party requests representation within ten days after receipt of the petition for appeal.*

Sec. 7. 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. 8. 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 a copy of the summons and complaint to the commissioner, 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. 9. 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. 10. [EFFECTIVE DATE; APPLICATION.]

Sections 1 to 9 are effective August 1, 1984. Section 4 applies only to causes of action arising after the effective date of this act."

We request adoption of this report and repassage of the bill.

Senate Conferees: EMBER D. REICHGOTT, MICHAEL O. FREEMAN and DONALD A. STORM.

House Conferees: KAREN CLARK, TERRY DEMPSEY and RICHARD J. COHEN.

Clark, K., moved that the report of the Conference Committee on S. F. No. 1762 be adopted and that the bill be repassed as amended by the Conference Committee.

Bishop moved that the House refuse to adopt the Conference Committee report on S. F. No. 1762, and that the bill be returned to the Conference Committee.

A roll call was requested and properly seconded.

The question was taken on the Bishop motion and the roll was called. There were 56 yeas and 64 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Erickson	Heinitz	Marsh	Quist
Bennett	Findlay	Himle	McDonald	Redalen
Bishop	Forsythe	Hokr	McKasy	Reif
Blatz	Frerichs	Jennings	Munger	Riveness
Boo	Gruenes	Johnson	Olsen	Rose
Burger	Gutknecht	Knickerbocker	Omamn	Schafer
Carlson, D.	Halberg	Kvam	Onnen	Schoenfeld
DenOuden	Haukoos	Levi	Pauly	Seaberg
Dimler	Heap	Ludeman	Piepho	Shaver

Sherman Stadum Swiggum	Thiede Uphus	Valan Valento	Waltman Welker	Wenzel Wigley
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Those who voted in the negative were:

Anderson, C.	Eken	Kostohryz	Ogren	Simoneau
Anderson, R.	Elioff	Krueger	Osthoff	Skoglund
Battaglia	Ellingson	Larsen	Otis	Solberg
Beard	Evans	Long	Peterson	Sparby
Begich	Graba	Mann	Price	Staten
Brandl	Greenfield	McEachern	Rice	Swanson
Brinkman	Gustafson	Metzen	Rodosovich	Tomlinson
Carlson, L.	Hoffman	Minne	Rodriguez, C.	Vanasek
Clark, J.	Jacobs	Murphy	Rodriguez, F.	Vellenga
Clark, K.	Jensen	Nelson, K.	St. Onge	Welch
Clawson	Kahn	Neuenschwander	Sarna	Welle
Cohen	Kalis	Norton	Scheid	Wynia
Coleman	Kelly	O'Connor	Segal	

The motion did not prevail.

The question recurred on the Clark, K., motion that the report of the Conference Committee on S. F. No. 1762 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 1762, 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, subdivision 3; 363.071, by adding a subdivision; 363.116; 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.

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

The question was taken on the repassage of the bill and the roll was called. There were 73 yeas and 49 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Cohen	Jensen	Murphy	Rodosovich
Anderson, R.	Coleman	Kahn	Nelson, D.	Rodriguez, C.
Battaglia	Eken	Kalis	Nelson, K.	Rodriguez, F.
Beard	Elioff	Kelly	Neuenschwander	St. Onge
Begich	Ellingson	Knuth	Norton	Sarna
Blatz	Evans	Kostohryz	O'Connor	Scheid
Boo	Fjoslien	Krueger	Ogren	Schoenfeld
Brandl	Graba	Long	Otis	Segal
Carlson, L.	Greenfield	McEachern	Peterson	Sherman
Clark, J.	Gustafson	Metzen	Price	Simoneau
Clark, K.	Hoffman	Minne	Rice	Skoglund
Clawson	Jacobs	Munger	Riveness	Solberg

Sparby	Tomlinson	Vellenga	Wenzel	Zaffke
Staten	Tunheim	Welch	Wynia	Speaker Sieben
Swanson	Vanasek	Welle		

Those who voted in the negative were:

Bishop	Gruenes	Knickerbocker	Onnen	Shaver
Brinkman	Cutknecht	Kvam	Osthoff	Sviggum
Burger	Halberg	Levi	Pauly	Thiede
Carlson, D.	Haukoos	Ludeman	Piepho	Uphus
DenOuden	Heap	Mann	Quist	Valan
Dimler	Heinitz	Marsh	Redalen	Valento
Erickson	Himle	McDonald	Reif	Waltman
Findlay	Hokr	McKasy	Rose	Welker
Forsythe	Jennings	Olsen	Schafer	Wigley
Frerichs	Johnson	Omann	Seaberg	

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

Mr. Speaker:

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

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.

PATRICK E. FLAHAVEN, Secretary of the Senate

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

The following conference committee report was received:

CONFERENCE COMMITTEE REPORT ON 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.

April 19, 1984

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

The Honorable Jerome M. Hughes
President of the Senate

We, the undersigned conferees for H. F. No. 1257, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment and that H. F. No. 1257 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [184A.01] [DEFINITIONS.]

Subdivision 1. [TERMS DEFINED.] For the purposes of sections 2 to 20 and unless the language or context clearly indicates that a different meaning is intended, the following words, terms, and phrases have the meanings given them in this section.

Subd. 2. [ARTIST.] "Artist" refers to musical artists, musical organizations, musical directors, composers, lyricists, and arrangers.

Subd. 3. [DEPARTMENT.] "Department" means the department of labor and industry.

Subd. 4. [ENGAGEMENT.] "Engagement" means an engagement or employment of a person as a musician or musical artist.

Subd. 5. [ENTERTAINMENT AGENCY.] "Entertainment agency" means a person or persons who engage in the occupation of procuring, offering, promising, or attempting to procure employment or engagements under written contract for three or more artists or groups of artists at any one time, or who have a written contract or continuing verbal agreement with an establishment or an individual to provide artists or groups of artists for one or more engagements. Entertainment agencies may, in addition, counsel or direct artists in the development of their professional careers.

Subd. 6. [FEE.] "Fee" means money or other valuable consideration paid or promised to be paid for services rendered or to be rendered by a person conducting the business of an entertainment agency under this act.

Subd. 7. [LICENSE.] "License" means a license issued by the department of labor and industry to carry on the business of an entertainment agency under this act.

Subd. 8. [LICENSEE.] "Licensee" means an entertainment agency which holds a valid, unrevoked, and unforfeited license under this act.

Subd. 9. [PERSON.] "Person" includes an individual, firm, corporation, partnership, or association.

Sec. 2. [184A.02] [LICENSE REQUIREMENT.]

No person shall engage in or carry on the occupation of an entertainment agency without procuring a license from the department of labor and industry for each agency location. This license shall be posted in a conspicuous place in the office of the licensee.

Sec. 3. [184A.03] [EXISTING AGENCIES.]

Entertainment agents who are actually engaged in or acting as entertainment agents or counselors and members, shareholders, officers, and directors of a firm, partnership, association, or corporation actively engaged in the business of an entertainment agency on the effective date of this act shall be deemed to comply with its provisions provided they shall obtain a license as provided by sections 4 to 10 within a period of six months from the effective date of this act.

Sec. 4. [184A.04] [LICENSE APPLICATIONS.]

Subdivision 1. [CONTENTS.] Applicants for an entertainment agent's license or renewal shall file with the department a written application in a form prescribed by the department stating:

- (a) the name and address of the applicant;*
- (b) the street and number of the building or place where the business of the entertainment agency is to be conducted;*
- (c) the name of the person who is to have the general management of the office;*
- (d) the name under which the business of the office is to be carried on;*
- (e) whether or not the applicant has a financial interest in another business of a similar nature and, if so, where;*
- (f) the business or occupation of the applicant for at least two years immediately preceding the date of application;*
- (g) if the applicant is other than a corporation, the names and addresses of all persons, except bona fide employees on stated salaries, financially interested, either as partners, associates, or profit sharers, in the operation of the entertainment agency in question, together with the amount of their respective interests; and*

(h) if the applicant is a corporation, the corporate name, the names, residential addresses, and telephone numbers of officers of the corporation, and the names and addresses of persons having a financial interest of ten percent or more in the business, and the percentage of financial interest owned by these persons.

Subd. 2. [SIGNATURES.] The application shall be signed and sworn to before a notary public by the applicant or, if a partnership, by all of the partners or, if a corporation, by the president and secretary.

Subd. 3. [AFFIDAVITS.] The application must be accompanied by affidavits of at least two reputable persons, neither of whom is related to the applicant.

Sec. 5. [184A.05] [FEE SCHEDULES.]

Applicants for a license to engage in the business of an entertainment agent shall, at the time of making application, file with the department a schedule of fees to be charged and collected in the conduct of this occupation, together with rules and regulations that may affect the fees charged or to be charged for service. Changes in the schedule may be made from time to time, but no change shall become effective until seven days after the date of its filing with the department. It shall be unlawful for an entertainment agency to charge, demand, collect, or receive a greater compensation for service performed than is specified in the schedule filed with the department.

Sec. 6. [184A.06] [CONTRACT FORM.]

Subdivision 1. [DEPARTMENT APPROVAL.] Entertainment agencies shall submit to the department a form or forms of contract to be utilized in entering into written contracts with artists for the employment of the services of the entertainment agency by the artists and the contract to be utilized for employment engagements secured by the agency for the artist. Approval by the department of the proposed contract form shall not be withheld unless the contract is unfair, unjust, or oppressive to the artist.

Subd. 2. [ARBITRATION.] Contract forms shall contain a provision setting forth a procedure for resolution of disputes before an arbitrator mutually agreed upon by the parties. The arbitrator's decision shall be final and binding upon the parties.

Subd. 3. [NOTIFICATION OF LICENSE.] There shall be printed on the face of the contract in prominent type the following: "This entertainment agency is licensed by the department of labor and industry of the state of Minnesota."

Sec. 7. [184A.07] [INVESTIGATION.]

Upon receipt of an application for a license, the department may cause an investigation to be made as to the character and responsibility of the applicant, and of the premises designated in the application as the place in which it is proposed to conduct the business of the entertainment agency.

Sec. 8. [184A.08] [TERM OF LICENSE; EXPIRATION.]

The license when first issued shall run to the next birthday of the applicant. The license shall then be renewed within the 30 days preceding the licensee's birthday and shall run from birthday to birthday. In case the applicant is a partnership, the license shall be renewed within the 30 days preceding the birthday of the oldest partner. If the applicant is a corporation, the license shall be renewed within the 30 days preceding the anniversary of the date the corporation was lawfully formed. Renewal shall require the filing of an application for renewal, a renewal bond, and the payment of the annual license fee, but the department may require that a new application or a new bond be submitted.

Sec. 9. [184A.09] [LICENSE FEES.]

Before a license shall be granted to an applicant, the applicant shall pay a filing fee of \$25 and a license fee of \$200.

An application for consent to transfer or assign a license shall be accompanied by a \$25 filing fee.

Sec. 10. [184A.10] [BONDS.]

Applications for an entertainment agency license shall be accompanied by a bond in the penal sum of \$10,000 with one or more sureties or a duly authorized surety company to be approved by the department and filed in the office of the secretary of state, conditioned that the entertainment agency and each member, shareholder, director, or officer of a firm, partnership, corporation, or association operating as an entertainment agency will conform to and not violate sections 2 to 19 or violate the covenants of a contract made by an entertainment agent in the conduct of business. Action on this bond may be brought by, and prosecuted in the name of, a person damaged by a breach of a condition of the bond. Successive actions may be maintained.

The secretary of state shall be paid a filing fee of \$5 per bond in addition to the fees outlined in section 9.

Sec. 11. [184A.11] [TRANSFER.]

No licensee shall sell, transfer, or give away an interest in, or the right to participate in the profits of, the entertainment agency without the written consent of the department. Consent may be withheld for any reason for which an original application for a license might have been rejected if the person in question had been mentioned in it.

Sec. 12. [184A.12] [ISSUANCE; REFUSAL; REVOCATION; SUSPENSION.]

The department shall issue a license as an entertainment agent, to a person who qualifies for the license under the terms of sections 4 to 10. The department may refuse to issue an entertainment agency license when, after due investigation, the department finds that the character of the applicant makes him unfit to be an entertainment agent, or when the premises for conducting the business of an entertainment agent is found upon investigation to be unfit for this use. No agency license shall be issued to a person, firm, corporation, or association that has, within the past three years, been convicted of fraud or felony. No license shall be issued to an attorney whose license to practice law has been suspended or revoked, for a period of three years after the date of the suspension or revocation. The department may refuse to issue a license to a person or may suspend or revoke the license of a entertainment agent when it finds that any of the following conditions exist:

(a) the entertainment agent has violated a condition of the bond required by section 10;

(b) the person or entertainment agent has personally engaged in a fraudulent, deceptive, or dishonest practice;

(c) the person or entertainment agent has violated any provisions of sections 2 to 19; or

(d) the person or entertainment agent has been legally adjudicated incompetent and has not been restored to capacity.

This section shall not be construed to relieve a person from civil liability or from criminal prosecution under the laws of this state. A violation of this section shall be treated as a violation of section 325F.69.

Sec. 13. [184A.13] [PROCEDURE FOR SUSPENSION OR REVOCATION.]

Subdivision 1. [INCOMPETENCY.] Upon an adjudication of incompetency, revocation shall be automatic and shall be permanent except that in the event of restoration to capacity a license may be reissued to such person on payment of all fees.

Subd. 2. [OTHER CASES.] In all other cases the department may not refuse to issue a license or suspend or revoke a license unless it furnishes the person or entertainment agent with a written statement of the charges against him and affords him an opportunity to be heard on the charges. He shall be given at least ten days' written notice of the date and time of the hearing. The notice shall be sent by certified mail to the address of the person as shown on his application for license or it may be served in the manner in which a summons is served in civil cases commenced in the district court.

Subd. 3. [HEARING.] At the hearing, the person or entertainment agent whose license application or continuance is in question shall have the right to appear personally and be represented by counsel, and to cross-examine witnesses against him and to produce evidence and witnesses in his defense, and shall have the right to have witnesses subpoenaed, which subpoena shall be issued by the commissioner.

Sec. 14. [184A.14] [APPEAL TO DISTRICT COURT.]

If the department refuses to grant a license, or suspends or revokes a license that has been granted, the applicant shall have the right of appeal to the district court of the county of the applicant's residence. If the applicant is not a resident of the state, he may appeal to the district court for Ramsey county. The court shall advance cases on their calendars for early disposition. In counties having continuous sessions of court, the cases shall be heard within 20 days after appeal is perfected. Appeal shall be perfected by the service of a written notice of appeal upon the commissioner of labor and industry within 60 days after notice to the applicant of the department's action.

Sec. 15. [184A.15] [RECORDS.]

Subdivision 1. [DEPARTMENT RECORDS.] The department shall keep a record of its proceedings which shall be open to the public for inspection at reasonable times, and a register of applicants for licenses. Records shall include the name and address of the applicants, the date of application, place of business, place of residence, whether the applicant was rejected or a license granted, and the date the license was granted.

Subd. 2. [ENTERTAINMENT AGENCY RECORDS.] Entertainment agencies shall keep records approved by the department in which shall be entered:

(a) *the name and address of each artist employing the agency;*

(b) *the amount of fee received from the artist;*

(c) *the employment in which the artist is engaged at the time of employing the agency, and the amount of the artist's compensation in the employment, if any; and*

(d) *the employments subsequently secured by the artist during the term of the contract between the artist and the entertainment agency, and the amount of compensation received by the artist.*

Sec. 16. [184A.16] [POWERS AND DUTIES OF THE DEPARTMENT.]

It is the duty of the department to administer the provisions of this act. The department shall have the power to compel the attendance of witnesses by the issuance of subpoenas, to administer oaths, and to take testimony and proofs concerning matters within its jurisdiction. The department shall affix an official seal to certificates or licenses granted and shall make rules not inconsistent with law needed to perform its duties.

Sec. 17. [SUPERVISORY AND INVESTIGATIVE AUTHORITY.]

The department shall have supervisory and investigative authority over entertainment agents. The department shall have the right to examine only those records required to be kept by this act.

Sec. 18. [AGENCY CONDUCT.]

Subdivision 1. [UNLAWFUL EMPLOYMENT.] No entertainment agent shall place or assist in placing a person in unlawful employment.

Subd. 2. [STRIKE OR LOCKOUT.] No entertainment agent shall fail to state in an advertisement, proposal, or contract for employment, that there is a strike or lockout at the place of proposed employment if he has knowledge that this condition exists.

Subd. 3. [REPAYMENT.] In the event that an entertainment agency shall collect from an artist a fee or expenses for obtaining employment for the artist, and the artist shall fail to procure the employment, or the artist shall fail to be paid

for the employment, the entertainment agency shall, upon demand, repay to the artist the full amount of the fee and expenses actually collected.

Subd. 4. [ACTIONS.] Actions brought in any court against a licensee may be brought in the name of the person damaged upon the bond deposited with the state by the licensee, and may be transferred and assigned as other claims for damages. The amount of damages claimed by plaintiff, and not the penalty named in the bond, determines the jurisdiction of the court in which the action is brought.

Subd. 5. [SERVICE ON DEPARTED LICENSEE.] When a licensee has departed from the state with intent to defraud creditors or to avoid service of summons in an action brought under this act, service shall be made upon the surety as prescribed in the rules of civil procedure. A copy of the summons shall be mailed to the licensee at the last known post-office address of his residence and also at the place where the business of the entertainment agency was conducted as shown by the records of the department. Service is complete as to the licensee, after mailing, at the expiration of the time prescribed by the rules of civil procedure for service of summons in the particular court in which suit is brought.

Sec. 19. [ARBITRATION PURSUANT TO CONTRACT CLAUSE.]

A provision in a contract providing for the decision by arbitration of a controversy under the contract or as to its existence, validity, construction, performance, nonperformance, breach, operation, continuance, or termination, shall be valid if the provision is contained in a contract between an entertainment agency and a person for whom the agency under the contract undertakes to endeavor to secure employment.

Sec. 20. [PENALTY.]

A person, agent, or officer of an agent, who violates any provision of this act is guilty of a misdemeanor, punishable by a fine of not less than \$25 nor more than \$250 or imprisonment for a period of not more than 60 days, or both.

A person, firm, or corporation who shall split, divide, or share, directly or indirectly, a fee, charge, or compensation received from an employee with an employer, or person in any way connected with the business, shall be punished by a fine of not less than \$500, and not more than \$1,000, or, on failure to pay the fine, by imprisonment for a period not to exceed one year, or both, at the discretion of the court."

We request adoption of this report and repassage of the bill.

House Conferees: JAMES I. RICE, JOEL JACOBS and DAVID JENNINGS.

Senate Conferees: SAM G. SOLON, CONRAD M. VEGA and GEN OLSON.

Rice moved that the report of the Conference Committee on H. F. No. 1257 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

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, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 68 yeas and 55 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Greenfield	McEachern	Piper	Sparby
Battaglia	Gustafson	Metzen	Price	Staten
Beard	Gutknecht	Minne	Rice	Swanson
Begich	Hoffman	Munger	Riveness	Tomlinson
Bergstrom	Jacobs	Murphy	Rodosovich	Tunheim
Carlson, L.	Jensen	Nelson, D.	Rodriguez, F.	Vanasek
Clark, J.	Kahn	Nelson, K.	St. Onge	Voss
Clark, K.	Kalis	Neuenschwander	Sarna	Welch
Clawson	Kelly	Norton	Scheid	Welle
Coleman	Knuth	O'Connor	Schoenfeld	Wenzel
Eken	Kostohryz	Ogren	Segal	Wynia
Elioff	Krueger	Osthoff	Simoneau	Speaker Sieben
Ellingson	Larsen	Otis	Skoglund	
Graba	Mann	Peterson	Solberg	

Those who voted in the negative were:

Bennett	Findlay	Jennings	Onnen	Shaver
Bishop	Fjoslien	Johnson	Pauly	Shea
Blatz	Forsythe	Knickerbocker	Piepho	Sherman
Brinkman	Frerichs	Kvam	Quist	Sviggum
Burger	Gruenes	Levi	Redalen	Thiede
Carlson, D.	Halberg	Ludeman	Reif	Uphus
Cohen	Haukoos	Marsh	Rodriguez, C.	Valento
DenOuden	Heap	McDonald	Rose	Waltman
Dimler	Heinitz	McKasy	Schafer	Welker
Erickson	Himle	Olsen	Schreiber	Wigley
Evans	Hokr	Omann	Seaberg	Zaffke

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

The Speaker resumed the Chair.

Eken moved that the House recess subject to the call of the Chair. The motion prevailed.

RECESS

RECONVENED

The House reconvened and was called to order by the Speaker.

MESSAGES FROM THE SENATE, Continued

The following message was received from the Senate:

Mr. Speaker:

I hereby announce that the Senate has rejected recommendations and Conference Committee Report on S. F. No. 1349, and the Conference Committee has been discharged, and that a new Conference Committee has been appointed.

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.

And the Senate respectfully requests that a new Conference Committee be appointed thereon. The Senate has appointed as such committee Messrs. Spear, Dieterich, Storm, Novak and Waldorf.

Said Senate File is herewith transmitted to the House with the request that the House appoint a like committee.

PATRICK E. FLAHAVEN, Secretary of the Senate

Jacobs moved that the House accede to the request of the Senate and that the Speaker appoint a new Conference Committee of 5 members of the House to confer with a like committee on the part of the Senate on S. F. No. 1349. The motion prevailed.

ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 1349:

Jacobs, O'Connor, Sarna, Metzen and Wigley.

ADJOURNMENT

Eken moved that when the House adjourns today it adjourn until 10:00 a.m., Tuesday, April 24, 1984. The motion prevailed.

Eken moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 10:00 a.m., Tuesday, April 24, 1984.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

The first of these is the fact that the
 Government has not yet decided whether
 it will support the bill. It is
 expected that the bill will be
 introduced in the House of
 Representatives in the near future.

The second of these is the fact that
 the bill has not yet been
 reported to the House. It is
 expected that the bill will be
 reported to the House in the
 near future.

The third of these is the fact that
 the bill has not yet been
 passed by the House. It is
 expected that the bill will be
 passed by the House in the
 near future.

The fourth of these is the fact that
 the bill has not yet been
 passed by the Senate. It is
 expected that the bill will be
 passed by the Senate in the
 near future.

The fifth of these is the fact that
 the bill has not yet been
 signed by the President. It is
 expected that the bill will be
 signed by the President in the
 near future.

The sixth of these is the fact that
 the bill has not yet been
 implemented. It is expected that
 the bill will be implemented in
 the near future.

STATE OF MINNESOTA

SEVENTY-THIRD SESSION - 1984

EIGHTY-FOURTH DAY

SAINT PAUL, MINNESOTA, TUESDAY, APRIL 24, 1984

The House of Representatives convened at 10:00 a.m. and was called to order by Harry A. Sieben, Jr., Speaker of the House.

Prayer was offered by Reverend S. A. Sidhom, Executive Director, Worldwide Friendship, Minneapolis, 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	Sviggum
Beard	Frerichs	Long	Quinn	Swanson
Begich	Graba	Ludeman	Quist	Thiede
Bennett	Greenfield	Mann	Redalen	Tomlinson
Bergstrom	Cruenes	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	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	Omamm	Shaver	Speaker Sieben
Eken	Kelly	Onnen	Shea	
Elioff	Knickerbocker	Osthoff	Sherman	
Ellingson	Knuth	Otis	Simoneau	
Erickson	Kostohryz	Pauly	Skoglund	

A quorum was present.

Hoberg and Stadum were excused.

Burger was excused until 12:00 noon.

The Chief Clerk proceeded to read the Journal of the preceding day. Bishop 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. No. 2312 have been placed in the members' files.

PETITIONS AND COMMUNICATIONS

The following communications were received:

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

April 17, 1984

The Honorable Harry A. Sieben, Jr.
Speaker of the House
276 State Office Building
St. Paul, Minnesota 55155

Dear Speaker Sieben:

I have the honor to inform you that I received, approved, signed and deposited in the Office of the Secretary of State, the following House Files:

H. F. No. 1485, relating to towns; providing for the election and term of office for the town clerk and treasurer.

H. F. No. 1486, relating to courts; providing for the appeal of various matters to the court of appeals.

H. F. No. 1491, relating to highway traffic regulations; authorizing an increase in driver improvement clinic fees.

H. F. No. 1503, relating to local government; providing for the duties and bonds of city clerks.

Sincerely,

RUDY PERPICH
Governor

84th Day]

TUESDAY, APRIL 24, 1984

9737

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

April 17, 1984

The Honorable Harry A. Sieben, Jr.
Speaker of the House
276 State Office Building
St. Paul, Minnesota 55155

Dear Speaker Sieben:

I have the honor to inform you that I received, approved, signed and deposited in the Office of the Secretary of State the following House File:

H. F. No. 1877, 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.

Sincerely,

RUDY PERPICH
Governor

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

April 19, 1984

The Honorable Harry A. Sieben, Jr.
Speaker of the House
276 State Office Building
St. Paul, Minnesota 55155

Dear Speaker Sieben:

I have the honor to inform you that I received, approved, signed and deposited in the Office of the Secretary of State the following House Files:

H. F. No. 559, relating to courts; providing for interest rates on judgments.

H. F. No. 977, 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.

H. F. No. 1325, relating to county law libraries; permitting the appointment of a nonlawyer to the library board.

H. F. No. 1381, relating to the city of Caledonia; providing for the appointment of members to the library board; authorizing terms of service.

H. F. No. 1408, relating to public safety; traffic regulations; regulating school buses.

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

H. F. No. 1496, relating to state lands; providing for the lease of certain state land to the city of Pillager.

H. F. No. 1611, relating to commerce; manufactured homes; clarifying provisions relating to manufactured home safety features.

H. F. No. 1670, relating to transportation; expanding scope of state commuter van transportation program.

H. F. No. 1706, 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, relating to transportation; providing for distribution of town road funds.

H. F. No. 1813, relating to hospital districts; providing for loans to students in health-related educational programs.

Sincerely,

RUDY PERPICH
Governor

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

April 19, 1984

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

The Honorable Jerome M. Hughes
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1984 Session of the State Legislature have been

received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

<i>S.F. No.</i>	<i>H.F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Date Approved 1984</i>	<i>Date Filed 1984</i>
	1503	384	April 17	April 18
	1491	385	April 17	April 18
	1485	386	April 17	April 18
	1486	387	April 17	April 18
	1877	388	April 17	April 18
2148		389	April 17	April 18
1770		390	April 17	April 18
1757		391	April 17	April 18
1396		392	April 17	April 18
1139		393	April 17	April 18
868		394	April 17	April 18
7		395	April 18	April 18
416		396	April 17	April 18
1041		397	April 18	April 18
1927		398	April 18	April 19
	559	399	April 19	April 19
	977	400	April 19	April 19
	1325	401	April 19	April 19
	1381	402	April 19	April 19
	1408	403	April 19	April 19
	1460	404	April 19	April 19
	1496	405	April 19	April 19

<i>S.F. No.</i>	<i>H.F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Date Approved 1984</i>	<i>Date Filed 1984</i>
	1611	406	April 19	April 19
	1813	407	April 19	April 19
	1670	408	April 19	April 19
	1706	409	April 19	April 19
	1774	410	April 19	April 19

Sincerely,

JOAN ANDERSON GROWE
Secretary of State

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

H. F. No. 1386, A bill for an act relating to children; authorizing intervention by the juvenile court to protect children from abuse committed by family or household members; providing for prosecution by the county attorney of certain gross misdemeanors; prohibiting public inspection of certain court records relating to the identity of criminal sexual conduct victims; clarifying a term in the child abuse reporting law; amending Minnesota Statutes 1982, sections 260.015, by adding subdivisions; 260.111, by adding a subdivision; 260.191, by adding subdivisions; and Minnesota Statutes 1983 Supplement, sections 388.051, subdivision 2; and 626.556, subdivision 2; proposing new law coded in Minnesota Statutes, chapters 260 and 609.

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 that the Senate has concurred in and adopted the report of the Conference Committee on:

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 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. FLAHAVER, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

H. F. No. 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 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. FLAHAVER, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate has appointed a new Conference Committee on H. F. No. 1743:

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 Senate has appointed as such committee Messrs. Peterson, R. W.; Knutson and Stumpf.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVER, Secretary of the Senate

Mr. Speaker:

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

H. F. No. 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.

PATRICK E. FLAHAVER, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Coleman moved that the House concur in the Senate amendments to H. F. No. 1961 and that the bill be repassed as amended by the Senate. The motion prevailed.

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, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 104 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Eken	Kalis	Olsen	Simoneau
Anderson, G.	Elioff	Knickerbocker	Omann	Skoglund
Anderson, R.	Erickson	Knuth	Onnen	Solberg
Battaglia	Evans	Kostohryz	Otis	Sparby
Beard	Findlay	Krueger	Pauly	Sviggum
Begich	Fjoslien	Larsen	Peterson	Thiede
Bennett	Forsythe	Levi	Piepho	Tomlinson
Bergström	Frerichs	Long	Piper	Tunheim
Bishop	Greenfield	Ludeman	Price	Uphus
Boo	Gruenes	Mann	Redalen	Valan
Brandl	Gustafson	Marsh	Reif	Valento
Brinkman	Gutknecht	McDonald	Rice	Vanasek
Carlson, D.	Halberg	McEachern	Rodosovich	Vellenga
Carlson, L.	Haukoos	Minne	Rodriguez, C.	Voss
Clark, J.	Heap	Munger	Rodriguez, F.	Waltman
Clark, K.	Heinitz	Murphy	Rose	Welch
Clawson	Hoffman	Nelson, D.	Sarna	Welle
Cohen	Jennings	Nelson, K.	Scheid	Wenzel
Coleman	Jensen	Neuenschwander	Schreiber	Wynia
Dempsey	Johnson	Norton	Seaberg	Speaker Sieben
DenOuden	Kahn	Ogren	Shea	

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

Mr. Speaker:

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

H. F. No. 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.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Coleman moved that the House concur in the Senate amendments to H. F. No. 994 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 994, A bill for an act relating to mediation; providing for mediation of disputes; providing penalties; amending Minnesota Statutes 1982, section 595.02; proposing new law coded in Minnesota Statutes, chapter 572.

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

The question was taken on the repassage of the bill and the roll was called. There were 106 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Elioff	Knuth	Otis	Skoglund
Anderson, G.	Erickson	Kostohryz	Pauly	Solberg
Anderson, R.	Evans	Krueger	Peterson	Sviggum
Battaglia	Findlay	Larsen	Piepho	Thiede
Begich	Fjoslien	Levi	Piper	Tomlinson
Bennett	Forsythe	Long	Price	Tunheim
Bergstrom	Frerichs	Mann	Quist	Uphus
Bishop	Greenfield	Marsh	Redalen	Valan
Boo	Gruenes	McDonald	Reif	Valento
Brandl	Gustafson	McEachern	Rice	Vanasek
Brinkman	Gutknecht	McKasy	Rodosovich	Vellenga
Carlson, D.	Halberg	Minne	Rodriguez, C.	Voss
Carlson, L.	Haukoos	Munger	Rodriguez, F.	Waltman
Clark, J.	Heinitz	Murphy	Rose	Welch
Clark, K.	Himle	Nelson, D.	Sarna	Welle
Clawson	Hoffman	Neuenschwander	Schafer	Wenzel
Cohen	Jennings	Norton	Scheid	Wynia
Coleman	Jensen	Ogren	Schreiber	Speaker Sieben
Dempsey	Johnson	Olsen	Seaberg	
DenOuden	Kahn	Omamn	Segal	
Dimler	Kalis	Onnen	Shea	
Eken	Knickerbocker	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. 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; changing the definition of registered combined charitable organization; amending Minnesota Statutes 1982, sections 15.014, subdivision 2; 15.0593; 15.62, subdivision 2; 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; 116L.03, subdivision 6; and 309.501, subdivision 1.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Knuth moved that the House concur in the Senate amendments to H. F. No. 1991 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1991, A bill for an act relating to government operations; regulating public employee leave of absences; providing for civil service exams for handicapped persons; authorizing the commissioner of employee relations to negotiate insurance premium rates; providing for unclassified positions; modifying the appeal of court-martial proceedings for employees in the state military forces; amending Minnesota Statutes 1982, sections 15.62, subdivision 2; 192A.325; 192A.345, subdivisions 2 and 8; 192A.612; Minnesota Statutes 1983 Supplement, sections 43A.10, subdivision 8; 43A.23, subdivision 1; and 116L.03, subdivision 6; repealing Minnesota Statutes 1982, section 192A.345, subdivisions 1 and 3.

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

The question was taken on the repassage of the bill and the roll was called. There were 108 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Eken	Knickerbocker	Osthoff	Skoglund
Anderson, G.	Elioff	Knuth	Otis	Solberg
Anderson, R.	Ellingson	Kostohryz	Pauly	Sparby
Battaglia	Erickson	Krueger	Peterson	Sviggum
Beard	Evans	Larsen	Piepho	Swanson
Begich	Findlay	Levi	Piper	Tomlinson
Bennett	Fjoslien	Long	Price	Tunheim
Bergstrom	Forsythe	Ludeman	Quist	Uphus
Bishop	Frerichs	Mann	Redalen	Valan
Boo	Greenfield	Marsh	Reif	Valento
Brandl	Gruenes	McDonald	Rice	Vanasek
Brinkman	Gustafson	McKasy	Rodosovich	Vellenga
Carlson, D.	Gutknecht	Minne	Rodriguez, C.	Voss
Carlson, L.	Halberg	Munger	Rodriguez, F.	Waltman
Clark, J.	Haukoos	Murphy	Rose	Welch
Clark, K.	Heinitz	Nelson, D.	Schafer	Welle
Clawson	Himle	Neuenschwander	Scheid	Wenzel
Cohen	Hoffman	Norton	Schreiber	Wigley
Coleman	Jennings	Ogren	Seaberg	Wynia
Dempsey	Jensen	Olsen	Segal	Speaker Sieben
DenOuden	Johnson	Omann	Shea	
Dimler	Kahn	Onnen	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. 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, sections 94.343, subdivision 1; and 94.349, subdivision 3.

PATRICK E. FLAHAVERN, Secretary of the Senate

McEachern moved that the House refuse to concur in the Senate amendments to H. F. No. 1559, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

Mr. Speaker:

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

H. F. No. 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.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Brinkman moved that the House concur in the Senate amendments to H. F. No. 1761 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1761, A bill for an act relating to taxation; releasing certain counties from the requirement to impose an aggregate removal tax; adding other counties; providing an exception to the tax for Benton and Stearns counties; amending Minnesota Statutes 1983 Supplement, section 298.75, 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 112 yeas and 3 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Dimler Onnen Osthoff

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

Mr. Speaker:

I hereby announce the adoption by the Senate of the following Senate Concurrent Resolution, herewith transmitted:

Senate Concurrent Resolution No. 17, A senate concurrent resolution proclaiming Bud Grant Day in Minnesota and encouraging public recognition of Bud Grant's contribution to Minnesota.

PATRICK E. FLAHAVEN, Secretary of the Senate

SUSPENSION OF RULES

Shea moved that the rules be so far suspended that Senate Concurrent Resolution No. 17 be now considered and be placed upon its adoption. The motion prevailed.

SENATE CONCURRENT RESOLUTION NO. 17

A senate concurrent resolution proclaiming Bud Grant Day in Minnesota and encouraging public recognition of Bud Grant's contribution to Minnesota.

Whereas, Bud Grant is retiring after 17 years as coach of the Minnesota Vikings; and

Whereas, as coach of the Vikings, Bud Grant compiled a record of 151 victories, made the playoffs 12 times, won 15 division titles, won one NFL title, won three NFC titles, and took the Vikings to four Super Bowls; and

Whereas, Bud Grant, during his 35 years in professional sports, has acquired the reputation among his peers and fans alike of a man who exemplifies sportsmanship in its truest form; and

Whereas, Bud Grant, through his sportsmanlike example, whether on the field or in his outdoor avocations, has been recognized throughout the country as an ambassador for the people of the State of Minnesota and all it stands for; and

Whereas, Bud Grant's unique contributions to our state should not go unnoticed; *Now, Therefore*,

Be it resolved by the Senate of the State of Minnesota, the House of Representatives concurring, that a day designated by the Governor is proclaimed as Bud Grant Day in Minnesota.

Be it further resolved that on that day the people of Minnesota are encouraged to show their admiration for Bud Grant and to celebrate his accomplishments.

Be it further resolved that the Revisor of Statutes is directed to prepare an enrolled copy of this resolution, to be authenticated by the President and Secretary of the Senate and the Speaker and Chief Clerk of the House of Representatives, and that it be presented to the Governor for his approval or veto. If approved, he shall file it with the Secretary of State.

Be it further resolved that the Secretary of State is directed to prepare a certified copy of this resolution and present it to Bud Grant.

Shea moved that Senate Concurrent Resolution No. 17 be now adopted. The motion prevailed and Senate Concurrent Resolution No. 17 was adopted.

Mr. Speaker:

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

H. F. No. 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.

PATRICK E. FLAHAVER, Secretary of the Senate

Simoneau moved that the name of Clark, J., be stricken and the name of Staten be added as chief author on H. F. No. 1587. The motion prevailed.

CONCURRENCE AND REPASSAGE

Staten moved that the House concur in the Senate amendments to H. F. No. 1587 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1587, A bill for an act relating to public employment; providing that no public business shall be conducted on Martin Luther King's birthday; allowing school districts and state colleges to conduct classes on Martin Luther King's birthday provided there is a patriotic observance of the day; amending Minnesota Statutes 1982, sections 126.10; 126.13; 136.22; and 645.44, 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 95 yeas and 21 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Ellingson	Kostohryz	Osthoff	Shaver
Anderson, G.	Erickson	Krueger	Otis	Shea
Anderson, R.	Forsythe	Larsen	Pauly	Simoneau
Battaglia	Greenfield	Levi	Peterson	Skoglund
Begich	Gruenes	Long	Piper	Solberg
Bergstrom	Gustafson	Mann	Price	Sparby
Bishop	Gutknecht	McKasy	Quist	Staten
Blatz	Halberg	Minne	Rice	Swanson
Boo	Heap	Munger	Riveness	Tomlinson
Brandl	Himle	Murphy	Rodosovich	Tunheim
Carlson, D.	Hoffman	Nelson, D.	Rodriguez, C.	Uphus
Carlson, L.	Hokr	Nelson, K.	Rodriguez, F.	Vanasek
Clark, J.	Jacobs	Neuenschwander	Rose	Vellenga
Clark, K.	Jensen	Norton	Sarna	Voss
Clawson	Kahn	O'Connor	Scheid	Welch
Cohen	Kalis	Ogren	Schoenfeld	Welle
Coleman	Kelly	Olsen	Schreiber	Wenzel
Eken	Knickerbocker	Omann	Seaberg	Wynia
Elioff	Knuth	Onnen	Segal	Speaker Sieben

Those who voted in the negative were:

Dempsey	Fjoslien	Ludeman	Schafer	Waltman
DenOuden	Frerichs	McDonald	Sviggum	Welker
Dimler	Haukoos	Piepho	Thiede	Wigley
Evans	Jennings	Redalen	Valan	Zaffke
Findlay				

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. 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.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Riveness moved that the House concur in the Senate amendments to H. F. No. 1766 and that the bill be repassed as amended by the Senate. The motion prevailed.

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; permitting the town of Windemere to have the powers of a metropolitan area town; proposing new law coded in Minnesota Statutes, chapter 471.

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

The question was taken on the repassage of the bill and the roll was called. There were 104 yeas and 20 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Elioff	Krueger	Pauly	Shea
Anderson, G.	Ellingson	Larsen	Peterson	Simoneau
Anderson, R.	Fjoslien	Levi	Piepho	Skoglund
Battaglia	Forsythe	Long	Piper	Solberg
Beard	Greenfield	Mann	Price	Sparby
Begich	Gruenes	Marsh	Quinn	Staten
Bennett	Gustafson	McKasy	Redalen	Swanson
Bergstrom	Halberg	Minne	Reif	Tomlinson
Bishop	Heap	Munger	Rice	Tunheim
Blatz	Himle	Murphy	Riveness	Uphus
Boo	Hoffman	Nelson, D.	Rodosovich	Valento
Brandl	Hokr	Nelson, K.	Rodriguez, C.	Vanasek
Brinkman	Jacobs	Neuenschwander	Rodriguez, F.	Vellenga
Carlson, D.	Jensen	Norton	Rose	Voss
Carlson, L.	Johnson	O'Connor	Sarna	Waltman
Clark, J.	Kahn	Ogren	Scheid	Welch
Clark, K.	Kalis	Olsen	Schoenfeld	Welle
Clawson	Kelly	Omann	Schreiber	Wenzel
Cohen	Knickerbocker	Onnen	Seaberg	Wynia
Coleman	Knuth	Osthoff	Segal	Speaker Sieben
Eken	Kostohryz	Otis	Shaver	

Those who voted in the negative were:

Dempsey	Evans	Haukoos	McDonald	Thiede
DenOuden	Findlay	Heinitz	Quist	Welker
Dimler	Frerichs	Jennings	Schafer	Wigley
Erickson	Cutknecht	Ludeman	Sviggum	Zaifke

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. 2098, A bill for an act relating to public welfare; requiring financial statements by providers of continuing care facilities; allowing residents to form associations; revising

procedures for determining operating cost payment rates for nursing homes; appropriating money; amending Minnesota Statutes 1982, sections 144.072; 256B.25; and 256D.06, by adding a subdivision; Minnesota Statutes 1983 Supplement, sections 45.16, subdivision 2; 144A.071, subdivision 2; 144A.31, subdivision 4; 256B.421, subdivisions 2, 5, and 8; 256B.431, subdivisions 1, 2, 4, 5, and by adding a subdivision; 256B.48, subdivision 1; 256B.50; proposing new law coded in Minnesota Statutes, chapters 80D; 144; and 256B.

PATRICK E. FLAHAVERN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Clawson moved that the House concur in the Senate amendments to H. F. No. 2098 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 2098, A bill for an act relating to public welfare; requiring financial statements by providers of continuing care facilities; allowing residents to form associations; revising procedures for determining operating cost payment rates for nursing homes; providing for a study; limiting control of waived services; regulating continuing care facilities; appropriating money; amending Minnesota Statutes 1982, sections 62D.12, subdivision 1; 62D.17, subdivision 4; 144.072; 256B.25; and 256D.06, by adding a subdivision; Minnesota Statutes 1983 Supplement, sections 45.16, subdivision 2; 62D.03, subdivision 4; 144A.31, subdivision 4; 256B.421, subdivisions 2, 5, and 8; 256B.431, subdivisions 1, 2, 4, 5, and by adding a subdivision; 256B.48, subdivision 1; and 256B.50; proposing new law coded in Minnesota Statutes, chapters 62D; 80D; 144; and 256B.

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 80 yeas and 44 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Eken	Knuth	Nelson, K.	Rice
Anderson, G.	Elioff	Kostohryz	Neuenschwander	Riveness
Battaglia	Ellingson	Krueger	Norton	Rodosovich
Beard	Graba	Larsen	O'Connor	Rodriguez, C.
Begich	Greenfield	Long	Ogren	Rodriguez, F.
Bergstrom	Gruenes	Mann	Olsen	St. Onge
Boo	Gustafson	McEachern	Onnen	Sarna
Brandl	Hoffman	McKasy	Osthoff	Scheid
Brinkman	Jacobs	Metzen	Otis	Schoenfeld
Carlson, L.	Jensen	Minne	Peterson	Seaberg
Clark, J.	Kahn	Munger	Piper	Segal
Cohen	Kalis	Murphy	Price	Sherman
Coleman	Kelly	Nelson, D.	Quinn	Simoneau

Skoglund	Staten	Tunheim	Voss	Wenzel
Solberg	Swanson	Vanasek	Welch	Wynia
Sparby	Tomlinson	Vellenga	Welle	Speaker Sieben

Those who voted in the negative were:

Anderson, R.	Findlay	Himle	Pauly	Thiede
Bennett	Fjoslien	Hokr	Piepho	Uphus
Blatz	Forsythe	Jennings	Quist	Valan
Carlson, D.	Frerichs	Johnson	Redalen	Valento
Dempsey	Gutknecht	Knickerbocker	Reif	Waltman
DenOuden	Halberg	Kvam	Rose	Welker
Dimler	Haukoos	Levi	Schafer	Wigley
Erickson	Heap	Ludeman	Shaver	Zaffke
Evans	Heinitz	Omann	Sviggum	

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

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

S. F. No. 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 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

O'Connor moved that the House refuse to adopt the Conference Committee report on S. F. No. 1563, and that the bill be returned to the Senate and to the Conference Committee. The motion prevailed.

The following conference committee reports were received:

CONFERENCE COMMITTEE REPORT ON 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.

April 20, 1984

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

The Honorable Jerome M. Hughes
President of the Senate

We, the undersigned conferees for H. F. No. 1532, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment.

We request adoption of this report and repassage of the bill.

House Conferees: RICK KRUEGER, JERRY GRABA and SYLVESTER UPHUS.

Senate Conferees: CHARLES R. DAVIS, JOE BERTRAM and DONALD A. STORM.

Krueger moved that the report of the Conference Committee on H. F. No. 1532 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

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, as amended by Conference, and placed upon its repassage.

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

Those who voted in the affirmative were:

Anderson, B.	Erickson	Knuth	Osthoff	Sherman
Anderson, G.	Evans	Kostohryz	Otis	Simoneau
Anderson, R.	Findlay	Krueger	Peterson	Skoglund
Battaglia	Fjoslien	Kvam	Piepho	Solberg
Bead	Forsythe	Larsen	Piper	Sparby
Begich	Frerichs	Levi	Price	Staten
Bennett	Graba	Long	Quinn	Sviggum
Bergstrom	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
Carlson, D.	Heap	Metzen	Rodriguez, C.	Valento
Carlson, L.	Heinitz	Minne	Rodriguez, F.	Vanasek
Clark, J.	Himle	Munger	Rose	Vellenga
Clark, K.	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	Schoenfeld	Wenzel
DenOuden	Johnson	O'Connor	Schreiber	Wigley
Dimler	Kahn	Ogren	Seaberg	Wynia
Eken	Kalis	Olsen	Segal	Zaffke
Elioff	Kelly	Omann	Shaver	Speaker Sieben
Ellingson	Knickerbocker	Onnen	Shea	

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

The report of the Conference Committee on H. F. No. 2182 was reported to the House.

Wenzel moved that the report of the Conference Committee on H. F. No. 2182 be adopted and that the bill be repassed as amended by the Conference Committee.

POINT OF ORDER

Welker raised a point of order relating to subject matter contained in the Conference Committee report on H. F. No. 2182 pursuant to rule 6.11, paragraph 2. The Speaker deferred his decision.

Wenzel moved that the House refuse to adopt the Conference Committee report on H. F. No. 2182, and that the bill be returned to the Conference Committee. 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. 1559:

McEachern; Carlson, L., and Jennings.

Eken moved that the House recess subject to the call of the Chair. The motion prevailed.

RECESS

RECONVENED

The House reconvened and was called to order by the Speaker.

There being no objection, Otis moved that S. F. No. 1559 be recalled from the Senate for further consideration by the House. The motion prevailed.

CALL OF THE HOUSE

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

Anderson, B.	Begich	Brandl	Clark, J.	Eken
Anderson, G.	Bennett	Brinkman	Coleman	Elioff
Anderson, R.	Bergstrom	Burger	Dempsey	Erickson
Battaglia	Bishop	Carlson, D.	DenOuden	Evans
Beard	Bco	Carlson, L.	Dimler	Findlay

Fjoslien	Knuth	Ogren	Rodriguez, C.	Swanson
Forsythe	Kostohryz	Olsen	Rodriguez, F.	Thiede
Frerichs	Kvam	Omann	St. Onge	Tomlinson
Gruenes	Larsen	Onnen	Sarna	Tunheim
Gutknecht	Levi	Osthoff	Schafer	Uphus
Haukoos	Long	Otis	Scheid	Valan
Heap	Ludeman	Pauly	Schoenfeld	Valento
Heinitz	Marsh	Piepho	Schreiber	Vellenga
Himle	McEachern	Piper	Seaberg	Voss
Hoffman	McKasy	Price	Segal	Waltman
Hokr	Metzen	Quinn	Shaver	Welch
Jennings	Minne	Quist	Shea	Welker
Johnson	Munger	Redalen	Sherman	Welle
Kahn	Murphy	Reif	Simoneau	Wenzel
Kalis	Nelson, K.	Rice	Skoglund	Wigley
Kelly	Norton	Riveness	Solberg	Zaffke
Knickerbocker	O'Connor	Rodosovich	Svigum	Speaker Sieben

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

The following conference committee report was received:

CONFERENCE COMMITTEE REPORT ON H. F. NO. 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; 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, 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.

April 23, 1984

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

The Honorable Jerome M. Hughes
President of the Senate

We, the undersigned conferees for H. F. No. 2317, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment and that H. F. No. 2317 be further amended as follows:

Delete everything after the enacting clause and insert:

"ARTICLE I

STATE GOVERNMENT APPROPRIATIONS

Section 1. [APPROPRIATIONS SUMMARY.]

The sums set forth in the columns designated "APPROPRIATIONS" are appropriated from the general fund, or any other fund designated, to the agencies and for the purposes specified in the following articles of this act, to be available for the fiscal years indicated for each purpose. The figures "1984" and "1985," wherever used in this act, mean that the appropriations listed under them are available for the year ending June 30, 1984, or June 30, 1985. When a figure appears in parenthesis, it is a reduction of a prior appropriation.

SUMMARY OF APPROPRIATIONS BY FUNCTION—
ALL FUNDS

	Total
STATE DEPARTMENTS	\$ 34,485,500
AGRICULTURE, TRANSPORTATION, AND OTHER AGENCIES	86,841,300
EDUCATION	10,413,000
HEALTH AND HUMAN SERVICES	65,173,000
TOTAL	\$196,912,800

SUMMARY BY FUND

	Total
General Fund	\$110,908,700
Special Revenue Fund	425,000
Trunk Highway Fund	57,749,800
Highway User Tax Distribution Fund	181,500
Transit Assistance Fund	12,600,000
County State Aid Highway Fund	11,300,000
Municipal State Aid Street Fund	3,400,000
Special Compensation Fund	155,000
Environmental Response Compensation and Compliance Fund	192,800

APPROPRIATIONS

	1984	1985
	\$	\$

ARTICLE 2

STATE DEPARTMENTS

Section 1. LEGISLATURE

(a) Legislative Commission on Energy		20,000
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By January 1, 1986, the legislative commission on energy shall report to the legislature on the state programs of energy audits of residential and commercial buildings under Minnesota Statutes, section 116J.31. The report must include: (1) a summary of the audits performed and conservation measures installed; (2) a summary of delivery systems and marketing of programs, including any recommendations for alternative delivery systems and marketing strategies; (3) consumer comments about the operation of the program; and (4) other information relevant to the operation of the program.

(b) Legislative Reference Library		94,100
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This appropriation may be expended only if funds from other sources are not available.

The appropriations in this section are added to the appropriations in Laws 1983, Chapter 301, section 2, subdivision 4.

(c) Legislative Coordinating Commission		6,300
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This appropriation is for the compensation council.

Sec. 2. SUPREME COURT

(a) State Court Administrator		47,500
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This appropriation is for the administrative costs associated with the community dispute resolution program.

	1984	1985
	\$	\$

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 and shall make recommendations for any changes that may be deemed desirable in the dispute resolution program.

(b) State Law Library		43,000
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The appropriations in this section are added to the appropriation in Laws 1983, chapter 301, section 3.

Sec. 3. BOARD ON JUDICIAL STANDARDS		51,100 60,000
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This appropriation is added to the appropriation in Laws 1983, chapter 301, section 6. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

Sec. 4. BOARD OF PUBLIC DEFENSE		144,500
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This appropriation is for the five legal defense corporations listed in Laws 1983, chapter 301, section 7. Final distribution of this money shall be determined by the board of public defense. The board of public defense shall submit to the legislature by January 1, 1985 a report showing how much of this appropriation was distributed to each recipient and the rationale for the distribution.

Sec. 5. PUBLIC DEFENDER

Public Defender Operations		80,000
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This appropriation is added to the appropriation for the same purpose in Laws 1983, chapter 301, section 8.

Sec. 6. SECRETARY OF STATE

(a) Microfilming Project		50,000
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	1984	1985
	\$	\$

This appropriation is added to the appropriation in Laws 1983, chapter 301, section 10.

(b) The unexpended balance of the appropriation contained in Laws 1983, chapter 301, section 10, for computerization of the corporate division does not cancel and is available for the second year of the biennium.

Sec. 7. ATTORNEY GENERAL

Approved Complement

General Fund—Add 2

Compliance Activities	47,300
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This appropriation is added to Laws 1983, chapter 121, section 32, subdivision 4. This appropriation shall be reimbursed to the general fund from the environmental response, compensation, and compliance fund, and the amount necessary to make the reimbursement is appropriated to the commissioner of finance for transfer to the general fund.

The two unclassified positions paid for from this appropriation are for the duration of the Reilly Tar case only.

Sec. 8. ADMINISTRATION

Approved Complement—Add 16

(a) Public Service

(1) Public television	2,100,000
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This appropriation is for public television equipment needs; final distribution of the funds will be based on the recommendations of the Minnesota Public Television Association.

	1984	1985
	\$	\$
(2) Public radio		200,000

This appropriation is for public educational radio equipment needs; final distribution of the funds will be based on the recommendations of the Association of Minnesota Public Educational Radio Stations.

By January 1, 1985, the commissioners of administration and finance shall establish a procedure by which public broadcasting funding requests are submitted; institute eligibility standards and criteria by which the awards are made; distinguish the requirements for block grants, operating grants, and capital grants; provide for the auditing of funds disbursed; and propose statutory language which would reflect this process.

(3) Cable communications board		135,000
(b) State Agency Services		
(1) Procurement automation project		358,000

The commissioner of administration shall prepare and submit an outline for a long-range procurement plan to the chairmen of the senate finance committee and the house appropriations committee by June 1, 1984. A completed long-range plan shall be submitted to the chairmen by August 1, 1984. The plan shall include, but is not limited to, the effect that procurement automation may have on the management and operations of state agencies; the implications for centralization or decentralization of procurement control, decision-making, and information; and the cost implications statewide. The commissioner shall seek the advice and assistance of other state agencies in the preparation of the plan. The commissioner shall also report to the chairmen by August 1, 1984, on her plans for changes in the operations and structure of the procurement division as a result of the automation of the procurement process.

	1984	1985
\$		\$

Beginning July 1, 1984, the commissioner of administration shall submit bi-monthly reports to the commissioner of finance and the chairmen of the senate finance committee and the house appropriations committee on her progress in implementing the procurement automation project as compared to the implementation plan contained in the Pride Phase II equivalent document. Following the receipt of a progress report, the chairmen may recommend to the commissioner of administration and the commissioner of finance that the procurement automation project be suspended or abandoned. If the commissioner of finance determines that the project should be suspended or abandoned, no additional money may be encumbered for the project until further order of the commissioner of finance.

The authorized complement for the procurement division shall be reduced by seven positions by June 30, 1985.

As may be approved by the legislative audit commission, the legislative auditor may conduct a follow-up to their 1982 reports on state and SED purchasing or a new examination of the procurement division and the bid specifications that are used in contract purchasing.

(2) Bidding Rules

The commissioner of administration shall adopt rules to establish the standards and procedures by which a contractor who has been convicted of a contract crime, and its affiliates, will be disqualified from receiving the award of a state contract or from serving as a subcontractor or material supplier under a state contract. The rules shall apply to contracts let by the commissioner of transportation and to other contracts and purchases the commissioner of administration deems necessary and appropriate.

(c) Management Services

(1) Telecommunications	210,000
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1984

\$

1985

\$

(2) Equipment Study

The commissioner of administration shall coordinate a study to determine whether present appropriation levels are sufficient to allow replacement of state equipment that has exceeded its useful life. The study must include the departments of natural resources, transportation, public welfare, administration, and other major users of state equipment. The study shall be completed in time to incorporate the commissioner's findings and recommendations in the budget requests presented to the 1985 legislature.

(3) Seasonal Employee Study

The commissioner of administration in cooperation with the commissioner of employee relations shall conduct a study to determine the operational and cost effectiveness of the extensive use of part-time and seasonal employees by the commissioner of natural resources. The study may also include similar use by the commissioners of transportation and public welfare. A report of the findings of the study and the recommendations of the commissioners of administration and employee relations must be submitted to the legislature by January 1, 1985.

The appropriations in (a), (b), and (c) are added to the appropriation in Laws 1983, chapter 301, section 16.

(d) Regional waste disposal system

7,000,000

This appropriation is from the general fund to pay part of the cost of constructing a regional waste disposal facility for the counties of Olmsted, Dodge, Mower, Fillmore, and Wabasha counties. This money shall be paid in the form of a grant to Olmsted County, but any amounts not expended for this purpose shall be returned to the state treasury.

1984

1985

\$

\$

This appropriation shall not be spent until: (1) a portion of former Rochester state hospital has been sold and all the net proceeds have been deposited in the state treasury and credited to the general fund; (2) Olmsted County has executed an agreement to provide a regional waste disposal facility for Dodge, Mower, Fillmore, and Wabasha counties, which shall specify how rates will be determined; rates shall be no greater than those charged to Olmsted County residents; and (3) Olmsted County has submitted to the chairman of the senate finance committee and the chairman of the house appropriations committee a report showing the terms of the sale, the items deducted from gross proceeds to arrive at net proceeds, and the agreements executed by the counties, and received their advisory recommendations on the payment of the grant; failure or refusal to make a recommendation promptly is deemed a negative recommendation.

Dodge, Mower, Fillmore, or Wabasha county, or all of them, may choose, by resolution of the county board adopted by August 1, 1984, not to participate in the regional waste disposal facility. Except for counties that have chosen not to participate in the facility, no money may be expended from this appropriation until all the named counties have executed the agreement.

The amount paid under this appropriation shall be one-half of the net proceeds, up to \$7,000,000. "Net proceeds" means the gross proceeds less: (1) the accumulated operating costs associated with the heating, maintenance, and provision of security for the unoccupied real property and its improvements for the period beginning December 29, 1982, and ending on the date of sale of the real property and its improvements; (2) costs incurred by Olmsted County for roof repairs previously made to hospital buildings and road improvements made necessary because of the sale of the property to the United States government; and (3) consultant fees and advertising costs related to the sale of the property.

	1984	1985
	\$	\$

Sec. 9. TAX STUDY COMMISSION

The Minnesota Tax Study Commission, which was created by executive order 83-33, may accept private contributions to offset its operating expenses. The commission is directed to seek private donations for publication costs and for the costs associated with presentation of the reports to the 1985 legislature.

Sec. 10. EMPLOYEE RELATIONS

Employee Group Insurance—	
Enrollment Services	127,300

This appropriation is added to the appropriation in Laws 1983, chapter 301, section 19.

Sec. 11. NATURAL RESOURCES

Approved Complement

General—Subtract 11

Game and Fish—Add 0.5

Special—Add 14

(a) Snowmobile Trails Grooming and Maintenance Equipment	400,000
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This appropriation is from the snowmobile trails and enforcement account.

(b) Cross Country Ski Trails	75,000
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(c) County Forestry Assistance Program	2,000,000
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This appropriation is for a grant to the St. Louis county land investment board and is available only when St. Louis County contributes \$500,000 from its own revenues to the project.

1984

1985

\$

\$

The St. Louis county land investment board shall provide a work plan and semi-annual progress reports to the department and the joint select committee on forestry for review and recommendations. Any recommendations received shall be advisory only.

(d) Consolidated Conservation Area Rulemaking	15,000
(e) Snag Removal	30,000
(f) Voyageurs National Park Land Acquisition	30,000
(g) Lake Restoration	40,000

This appropriation is for the purpose of restoring and improving Lake Isabelle in Dakota County. The money shall be used for a detailed soil analysis including a hydraulic/hydrologic study to determine the maximum lake level, necessary groundwater investigation for augmentation of water supply, and any acquisition of easements and rights of way. The appropriation shall not cancel but remains available until expended.

The appropriations in this section are added to the appropriations made in Laws 1983, chapter 301, section 22.

The department shall develop a plan to implement the recommendations made by the department of administration in its study of the regional and subregional structure of the department of natural resources. The plan shall be developed with the assistance of the department of administration. The department of employee relations shall review the plan with respect to personnel matters. The plan shall be completed on or before September 1, 1984.

The department shall create at least one regional or subregional labor pool under the control of the regional administrator.

1984

\$

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\$

The department shall report to the legislature on the results of the project by February 1, 1985. The departments of administration and employee relations shall assist in the design and evaluation of the project.

The commissioner need not include the three-month cancellation provision required by Minnesota Statutes, section 92.50, subdivision 1, in any lease of the Soudan Mine for use as a physics laboratory by the University of Minnesota, provided that this exception shall not be construed to limit the commissioner's right to cancel for cause under the terms of the lease.

Notwithstanding Laws 1983, chapter 301, section 22, an amount not to exceed \$250,000 of the money included for peat development in the appropriation for mineral resources management may be expended for site preparation for commercial peat mining in any bog whose surface has been disturbed by drainage or any other artificial alteration of the surface. If any portion of this amount is directly or indirectly loaned for site preparation purposes, the money repaid under the loan shall be deposited in the general fund.

Notwithstanding any law to the contrary, including Laws 1983, chapter 301, section 22, the commissioner of natural resources shall, by November 15, 1984, submit a report to the legislature containing specific recommendations for appropriate protection of those peatlands identified as ecologically significant in the August 1981 Minnesota Peat Program Final Report.

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.

	1984	1985
	\$	\$

The commissioner of natural resources shall present to the legislature by January 1, 1986, a plan for consolidating the trails and waterways unit and the parks and recreation division.

The commissioner of natural resources shall devote \$25,000 from previous appropriations from the game and fish fund to conducting research on the genetic background of walleyes.

Sec. 12. ZOOLOGICAL BOARD	348,200	315,700
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This appropriation is added to the physical facilities appropriation provided in Laws 1983, chapter 301, section 23 for fuel and utility costs. None of the money provided in the original appropriation for fuel and utilities or this supplement shall be used for any other purpose.

The commissioner of finance must conduct an economic analysis regarding acquisition of the zoo ride and submit his report to the legislature. The analysis may include discussions with the current owners of the zoo ride.

Sec. 13. POLLUTION CONTROL AGENCY

Approved Complement

General—Add 15

ERCC—Add 2

(a) Wastewater Grant Administration		342,800
(b) Transfer of Funding Acid Rain Planning	(68,000)	68,000
(c) Environmental Impact Statement Preparation		95,000

Any unencumbered balance remaining in the first year does not cancel but is available for the second year of the biennium.

	1984	1985
	\$	\$
(d) Technical Support for Reilly Tar Litigation	75,000	

Any unencumbered balance remaining in the first year shall not cancel but is available for the second year of the biennium.

The two positions paid for from this appropriation are in the unclassified service for the duration of the Reilly Tar case only. When the case is over, the positions shall be canceled and the approved complement of the agency reduced accordingly.

(e) Laboratory Analysis	117,800
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The appropriations in items (d) and (e) are from the ERCC fund.

(f) Waste Tires	117,000
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This appropriation is for establishing rules for waste tire collector and processor permits, waste tire nuisance abatement, and waste tire collection, and for carrying out waste tire nuisance abatement and waste tire collection programs. The three positions paid for from this appropriation are in the unclassified service.

(g) Collection and Incineration Study	100,000
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The director of the pollution control 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; (7) the types of facilities

1984

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\$

\$

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; and (8) the establishment of a statewide waste tire collection system.

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.

(h) Test Burns Report

35,000

The director of the agency, with the commissioner of administration, shall identify by October 1, 1984, existing public and private facilities most suitable for utilizing waste tires as a fuel source. 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.

The appropriations and reductions in this section are added to the appropriations made in Laws 1983, chapter 301, section 25.

Sec. 14. WASTE MANAGEMENT BOARD

Approved Complement

General—Add 5

Building—Add 2

These positions are in the unclassified service.

	1984	1985
	\$	\$

Sec. 15. ENERGY AND ECONOMIC DEVELOPMENT

Approved Complement

General—Add 49

Federal—Add .5

(a) Alternative Energy Projects	146,500	774,100
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\$150,000 is for alternative energy technical activity.

\$50,000 is for an engineering manager in the unclassified service. The manager must have technical expertise and professional experience in the field of engineering.

\$218,000 is for community energy councils, of which \$53,000 is for a director in the unclassified service and \$145,000 is for grants to communities.

\$53,000 is for the shared energy savings program. One unclassified position may be paid from this appropriation.

\$5,000 is for temporary rulemaking for district heating and qualified energy improvements.

\$50,000 is for study and adoption of standards for fiber fuels.

\$47,800 is for the adoption of rules regarding quality and product safety specifications for the manufacture of insulation.

\$146,500 is available the day following final enactment and until June 30, 1985, for enforcement of energy conservation standards for rental property. Four unclassified positions may be paid for from this appropriation.

\$100,000 is for optimal low-income weatherization.

NAME

1984

1985

\$

\$

\$81,800 is for wind resource assessment and \$18,500 is for continuation of the super-insulation demonstration project.

(b) District Heating Debt Service 279,000

To the commissioner of finance for transfer to the state bond fund for district heating and qualified energy improvement debt service under Minnesota Statutes, section 116J.36, subdivision 6, as amended by this act.

(c) Low-Income Weatherization 1,000,000

To the commissioner of economic security for the purpose of extending or expanding the low income residential weatherization program authorized by section 268.37. Any federal money received before December 31, 1984, in excess of anticipated revenues for the weatherization program shall reduce the state appropriation for this purpose by a like amount.

(d) Marketing Minnesota 1,100,000

\$200,000 of this appropriation is available only after verification and documentation of private sector contributions on the basis of \$1 state to \$1 private funds. These funds may be released as contributions are received. For purposes of this appropriation, private sector in-kind services may provide all or a portion of the match for this money.

"Private sector" means any private person, firm, corporation, or association.

(e) Business Services 273,100

(f) Financial Officers 196,800

\$147,300 and five positions are for an energy and economic development authority administration contingent account. Upon resolution of the litigation regarding the

	1984	1985
	\$	\$

authority, up to these amounts may be released with the approval of the governor after consultation with the legislative advisory commission pursuant to Minnesota Statutes, section 3.30.

Of the seven positions paid for from this appropriation, four are not authorized until January 1, 1985.

(g) Administrative Support	79,200
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(h) Economic Recovery Grant Program	6,000,000
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This appropriation is for economic recovery grants to local governments under the small cities development grants program.

\$85,300 is for administrative costs.

\$5,914,700 is for grants.

(i) Office of Science and Technology	300,000
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This appropriation is for the coordination of economic development assistance in the high technology industries of medical biotechnology and software development. The three complement positions associated with this appropriation are in the unclassified service.

(j) Community Development Corporations	500,000
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(k) Technology Corridor	6,000,000
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The commissioner of economic development may enter into an agreement with the city of Minneapolis and the University of Minnesota to assist the development of the technology corridor project established by the city and the university by providing money for land acquisition costs, building construction costs, and venture capital assistance within the technology corridor. The purpose of the state assistance is to promote the development of technology-related busi-

	1984	1985
	\$	\$

nesses in Minnesota. The commissioner may agree to make installment payments over a specified number of years. Before executing the agreement, the commissioner shall certify that the commissioner has reviewed the project and finds that the expenditure of this appropriation is the most appropriate reasonably available means of meeting the objective of promoting the development of technology-related businesses in Minnesota. The commissioner may expend up to \$50,000 of this appropriation for expenses necessary to adequately review the project. The commissioner may not execute the agreement until the commissioner has presented it to the chairman of the senate finance committee and the chairman of the house appropriations committee and the chairmen have made their advisory recommendations on it. Failure or refusal to make a recommendation promptly is deemed a negative recommendation.

Of this amount, \$1,000,000 shall be paid to the University of Minnesota for recurring costs associated with the supercomputer institute in the technology corridor, and \$1,200,000 shall be expended for 12,000 square feet of space for the supercomputer institute. Recurring costs of \$2,600,000 shall be treated as part of the University of Minnesota budget base effective July 1, 1985.

(l) Bay Front Development Corporation	150,000
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This appropriation is for payment to the city of Duluth, but is available only to match contributions received from nonstate sources in the amount of \$150,000. The state payment shall not be made until the entire match has been received.

(m) Manufacturing Growth Council	60,000
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Three unclassified positions may be paid for from this appropriation.

This appropriation is available only to match contributions by Minnesota busi-

	1984	1985
	\$	\$

nesses totaling \$60,000. Contributions may be in the form of cash, equipment, or loaned personnel. The commissioner of energy and economic development shall determine the value of contributions other than cash. None of this appropriation may be expended until the entire match has been committed.

(n) Convention Facilities Commission 250,000

\$100,000 is for activities leading to the selection of a city in which the convention facility is to be located. This appropriation is available until September 11, 1984.

\$150,000 is for activities subsequent to the selection of a city, of which \$100,000 is to be released dollar for dollar by the commissioner upon verification of receipt of an equal amount contributed by the city of designation. The city may provide the match from its own revenues or from nonpublic contributions for this purpose. This appropriation is available until June 30, 1985.

The two complement positions associated with this appropriation are in the unclassified service.

(o) Waste Tire Recycling 52,000

This appropriation is for establishing rules, which may include temporary rules, and paying administrative costs for waste tire recycling loans and grants. One of the positions paid for from this appropriation is in the unclassified temporary service.

(p) Recycling and Environmental Programs 184,000

The commissioner shall use this money to encourage recycling, recycling education, the quality environment program, and other necessary efforts for the correction of environmental blemishes that have a negative impact on tourism and economic development within the state. Two of the positions paid for from this appropriation are in the unclassified service.

	1984	1985
	\$	\$
(q) Rough Fish Processing		30,000

This appropriation is to assist in a market analysis of the potential for rough fish processing in Minnesota.

The appropriations in this section are added to the appropriations in Laws 1983, chapter 301, section 28.

(r) Foreign Business Coordination

One position in the unclassified service is for the coordination of projects involving foreign businesses.

Sec. 16. STATE PLANNING
AGENCY

Approved Complement

General—Add 3

(a) Infrastructure Project	18,000
(b) Interstate Association Dues	55,000

This appropriation is for state participation in the Upper Mississippi River Basin Association, the Council of Great Lakes Governors, and the Northeast-Midwest Coalition.

(c) Telecommunications Council	250,000
(d) Minnesota Horizons	50,000

The state planning director is encouraged to seek private donations to match this appropriation.

(e) Land Management Information System	35,000
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This appropriation is for an archeological information and planning system. In determining the prime contractor, the agency

	1984	1985
	\$	\$

shall consider possible conflict of interest in regulation and field investigation activity.

The appropriations in this section are added to the appropriation made in Laws 1983, chapter 301, section 30.

Sec. 17. WORLD TRADE CENTER BOARD		575,000
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Approved Complement—9

The unexpended balance of appropriations transferred from the general contingent account to the commissioner of agriculture for the world trade center commission for fiscal year 1984 is transferred to the world trade center board for fiscal year 1985.

Sec. 18. LABOR AND INDUSTRY

Approved Complement

General—Add 3

Special—Add 4

(a) Prevailing Wage Director		35,500
(b) Worker's Compensation		
(1) Rehabilitation Services	23,500	131,500

This appropriation is for reduction in the number of cases pending review under the administrative conference procedure. This appropriation is from the special compensation fund.

(2) State Employee Fund	13,400	173,800
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This appropriation is for enhanced administration of the state employee revolving fund.

The positions paid for from the special compensation fund shall be canceled July 1,

	1984	1985
	\$	\$

1986, and the approved complement of the department reduced accordingly.

The authority of the commissioner of labor and industry as contained in sections 144.411 to 144.417 is transferred to the commissioner of health. The rules of the department of labor and industry are repealed and the rules of the department of health shall apply.

The appropriations in this section are added to the appropriation made in Laws 1983, chapter 301, section 32.

Sec. 19. VETERANS AFFAIRS

Approved Complement—Add 53

(a) Veterans benefits	140,000
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This appropriation is for emergency financial and medical needs of veterans. \$10,000 of the appropriation made in Laws 1983, chapter 301, section 37, for aid pursuant to Minnesota Statutes, section 197.75, is added to this appropriation.

The department must develop management alternatives through which this program is contained within this appropriation for the biennium ending June 30, 1985.

(b) Conversion of Building Number 16, Minneapolis Veterans Home from Domiciliary to Nursing Care	1,051,300
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By September 15, 1984, the department is instructed to formalize an ongoing patient review process which assesses the appropriate level of care needed by each resident. The department shall attempt to incorporate the components of the patient utilization review process required under medical assistance.

The commissioner of veterans affairs shall conduct a survey of state hospitals.

1984

1985

\$

\$

and other hospitals, public and private, in this state, in order to determine the number of beds in each hospital that are seldom used and that might be suitable for use by veterans needing nursing home care. The commissioner shall report to the legislature by January 1, 1985, on the results of the survey and his recommendations for possible conversion of hospital beds to state veterans home nursing care beds.

The appropriations in this section are added to the appropriation in Laws 1983, chapter 301, section 37.

Sec. 20. INDIAN AFFAIRS COUNCIL

Purchase of Indian Burial Grounds	40,000
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This appropriation is added to the appropriation in Laws 1983, chapter 301, section 38.

Sec. 21. HUMAN RIGHTS

Approved Complement

General—Add 24

Federal—Subtract 16

(a) Case Processing	300,000
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This appropriation is for increased enforcement activities to reduce the number of cases pending within the department. This appropriation is added to the appropriation in Laws 1983, chapter 301, section 42.

Two of the positions approved to reduce the backlog shall be canceled on July 1, 1985, and the approved complement of the department reduced accordingly.

In preparing the budget for the 1985 legislature, the commissioner shall report on

	1984	1985
	\$	\$

the advisability of providing at least one full-time position to the Duluth office and of providing for handling complaints on at least a part-time basis through an office in Bemidji. The report shall include the costs associated with adequately providing service at these locations.

(b) Federal Advance	357,100
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This appropriation is to be used by the commissioner until federal money is received in payment for work done under contract with the Equal Employment Opportunity Commission and the United States Department of Housing and Urban Development for the federal fiscal year. Each quarterly receipt of federal money shall be credited to a federal receipt account and then transferred to the general fund.

It is estimated that \$294,600 in nondedicated contractual receipts from the federal government will be deposited in the state general fund in fiscal year 1985.

If the nondedicated contractual receipts earned in fiscal year 1985 from the federal government are less than \$294,600 in fiscal year 1985 the commissioner of finance shall reduce the appropriation base available to the department of human rights in the following fiscal year by the amount of the difference. Any reduction shall be noted in the budget document submitted to the legislature.

Sec. 22. HOUSING FINANCE AGENCY

The appropriations in this section are for transfer to the housing development fund.

(a) Tribal Indian Housing Programs	1,750,000
(b) Urban Indian Housing Programs	750,000

	1984	1985
	\$	\$

In order to qualify for disbursement of the money appropriated in this section, proposed urban Indian programs must provide for the combination of the appropriated money with other moneys from either public or private sources that are specifically designated at the time of application and that will be available upon program commencement. The Minnesota housing finance agency shall notify qualified applicants to submit their proposals for utilization of the appropriation within 90 days after the date of enactment of this section. Within 30 days after notification, the agency shall allocate this appropriation among the qualified applicants. If the combined requested amounts of approved proposals exceed the amount of this appropriation, the money shall be allocated among the applicants on a prorated basis according to the agency's allocation percentages for urban Indian programs. Effective June 30, 1985, the balance of this appropriation not subject to active contracts approved by the agency under qualified urban Indian programs shall be reallocated by the agency for the purposes provided in Minnesota Statutes, sections 462A.07, subdivision 15, and 462A.21, subdivision 4d.

(c) Temporary Housing Demonstration Program	250,000
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By March 15, 1985, the housing finance agency shall report to the legislature on the temporary housing demonstration program.

Sec. 23. GENERAL CONTINGENT ACCOUNT

General Contingent Reduction	(5,000,000)
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This reduction is from the appropriation in Laws 1983, chapter 301, section 45.

Sec. 24. SALARY SUPPLEMENT

(a) Legislative, Judicial, Constitutional Officers Salary Increases	1,019,600
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	1984	1985
	\$	\$

This appropriation is added to appropriations in Laws 1983 as follows:

Chapter 299, section 37, subdivision 1, item (b), \$15,200

Chapter 299, section 37, subdivision 1, item (c), \$735,900

Chapter 301, section 2, subdivisions 1 and 2, \$90,000

Chapter 301, section 2, subdivisions 1 and 3, \$178,500

(b) Comparability Adjustments	181,500
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This appropriation is added to the appropriation in Laws 1983, chapter 301, section 55, item (d), Highway User Tax Distribution Fund.

Sec. 25. [ST. LOUIS COUNTY LAND INVESTMENT BOARD.]

Subdivision 1. [CREATION; MEMBERSHIP.] The St. Louis county board of land investment consisting of the members of the St. Louis county board of commissioners is established. The board of land investment shall have responsibility to accelerate the county's forestry land management program and to provide operational support and supervision to a broad range of forest projects.

Subd. 2. [LAND INVESTMENT DEPARTMENT.] The board of land investment may establish a land investment department to carry out the objectives established by the land investment board.

Subd. 3. [ADMINISTRATION.] The department shall be administered by the land commissioner appointed under Minnesota Statutes, section 282.13 but shall be separate from the land department which is also under the direction of the land commissioner.

Subd. 4. [PURPOSES.] The purposes of the land investment board are:

(a) to intensify land management activities on county administered tax forfeited peat and forest lands;

(b) to achieve an intensified land management program by using the talents of the excess skilled labor available in the region;

(c) to invest in the economic future of the region by using the full potential of the land resource;

(d) to conduct, but not to be limited to, projects including peat development, reforestation, timber stand improvement, timber management, development of recreation and wildlife facilities, forest road construction, and boundary line and corner establishment;

(e) to ensure that the projects use the latest state of the art technology; and

(f) to conduct, contract for, or use joint powers to accomplish the surveys, studies, or research, as needed to encourage or test the feasibility of new programs or markets to use the land resources to their optimum.

Subd. 5. [POWERS.] The board of land investment may:

(a) enter into contracts with or employ technical experts, agents, and employees, permanent and temporary, as it may require, and determine their qualifications, duties, and compensation;

(b) delegate to one or more of its agents or employees the powers or duties it deems proper;

(c) accept grants, loans, gifts, services, or other assistance from the federal or state government or any private individual or organization to accomplish its purposes; and

(d) enter into contracts with individuals or organizations to perform land management activities, including tract site preparation, road construction, or maintenance.

Subd. 6. [EMPLOYEES.] The land commissioner may hire employees with the approval of the land investment board to carry out the duties of the land investment department. Notwithstanding Laws 1941, chapter 423, as amended, all positions created in the land investment department shall be in the unclassified service and the employees shall serve at the pleasure of the land investment board. The positions will be assigned to the collective bargaining unit to which the position would be assigned if the position were in the classified service. On January 1, 1988, all the positions shall become part of the classified service and all persons holding the positions shall become subject to Laws 1941, chapter 423, as amended, as though they had been originally appointed to the classified service. Seniority shall be

computed from the date of employment whether before or after January 1, 1988. Positions within the land investment department shall continue to be separate from positions in the St. Louis county land department for all purposes, including seniority rights.

Subd. 7. [ASSISTANT COMMISSIONER.] *Notwithstanding subdivision 6, the position of assistant commissioner of land investment shall remain in the unclassified service.*

Subd. 8. [TRACTS WITH LOW QUALITY TIMBER.] *If the board of land investment determines that a tract is stocked with nonindustrial, low quality timber that has little or no value, Minnesota Statutes, section 282.04, as it relates to timber sales, shall not apply to land management activities including site preparation, conducted under the authority of the board.*

Subd. 9. [RECEIPTS.] *Receipts from salvage materials generated by site preparation activities conducted under the authority of this chapter shall be paid into the forfeited tax sale fund.*

Subd. 10. [REQUIREMENT.] *This section is not effective until the governing body of St. Louis County has complied with Minnesota Statutes, section 645.021, subdivision 3.*

Sec. 26. [SALE OF SURPLUS TRAIL LANDS.]

Notwithstanding any contrary provisions relating to sale of surplus state lands contained in Minnesota Statutes, sections 94.09 to 94.16, lands and interests in lands acquired for trail purposes located in any of the cities listed in this section, which are no longer needed for trail purposes, may be declared surplus and sold to the city in which the land is located by the commissioner of natural resources for not less than the appraised value as determined by the commissioner. The cities within which the lands are located are Madison Lake in Blue Earth County, Rutledge and Sturgeon Lake in Pine County, and Thomson in Carlton County. The proceeds from the sales, after deducting costs of sale in the same manner as permitted in the sale of surplus lands by Minnesota Statutes, section 94.16, shall be deposited in the state treasury and credited to the state bond fund, except for proceeds from the sale of land in Madison Lake, which shall be credited to the general fund. Conveyances shall be in a form approved by the attorney general.

Sec. 27. [SALE OF CERTAIN STATE FOREST LAND TRACTS.]

Subdivision 1. Notwithstanding Minnesota Statutes, sections 94.09 to 94.16, that certain tracts of state forest land located and described in subdivisions 2 to 4 may be sold by the commissioner of natural resources or his agent at private sale at not less than

the appraised price as determined by state appraisers. Conveyance of these tracts shall be on a form approved by the attorney general.

Subd. 2. That part of the Northeast Quarter of the Southwest Quarter of Section 13, Township 107 North, Range 8 West, Winona County, Minnesota; Beginning at the Southwest corner of Lot 28, Block 1 Woodhaven Estates; according to the recorded plat thereof on file and of record in the Office of County Recorder, Winona County, Minnesota; thence southerly deflecting to the right 90 degrees 00 minutes 00 seconds from the south line of said lot 28 a distance of 62 feet; thence northeasterly, deflecting to the left 94 degrees 54 minutes 30 seconds a distance of 241.11 feet to the south line of said lot 28; thence westerly deflecting to the left 165 degrees 05 minutes 57 seconds a distance of 233 feet along the south line of said lot 28 to the point of beginning containing .17 acres.

Subd. 3. That part of the Northwest Quarter of the Southeast Quarter and the Southwest Quarter of the Southeast Quarter, Section 10, Township 104 North, Range 4 West, Houston County, Minnesota, described as follows:

Commencing at a point 12 feet west of the southeast corner of Lot 7 of Block 12 of the original plat of Manton (now La Crescent) according to the plat thereof on file and of record in the office of the Register of Deeds in and for Houston County; thence southwesterly parallel with the west right of way line of the Chicago, Milwaukee, St. Paul and Pacific Railroad Company 380 feet; thence south 30 feet to said west right of way line; thence south 280.10 feet to the east right of way line of said railroad company; thence southwesterly along said east right of way line 275 feet to a concrete monument which is the point of beginning of Line 1; thence deflect to the left at an angle of 111 degrees 00 minutes 00 seconds and run along said Line 1 to a line drawn parallel with and distant 500 feet southeasterly of the center line of the westerly main track of said railroad company; thence run southwesterly on said 500 foot parallel line to its intersection with a line drawn parallel with and distant 600 feet southerly of said Line 1; thence run westerly on said 600 foot parallel line and its westerly extension to an intersection with the easterly right of way line of said railroad company and the point of beginning; thence deflect to the left 109 degrees 28 minutes 45 seconds a distance of 323.15 feet; thence deflect right 13 degrees 24 minutes 51 seconds a distance of 116.73 feet to the easterly right of way of said railroad company; thence northwesterly along said easterly right of way line a distance of 437.53 feet to the point of beginning; containing 0.1 acres.

Subd. 4. That part of the East Half of the Northeast Quarter of the Southwest Quarter, the Northwest Quarter of the

Northeast Quarter of the Southwest Quarter and the Southeast Quarter of the Northwest Quarter of Section 32, Township 104 North, Range 8 West, Fillmore County, Minnesota, described as follows:

Commencing at the northwest corner of said East Half of the Northeast Quarter of the Southwest Quarter; thence on an assumed bearing of North 89 degrees 03 minutes 59 seconds East, 84.21 feet along the north line of said East Half of the Northeast Quarter of the Southwest Quarter to the point of beginning;

thence South 39 degrees 47 minutes 47 seconds East, 148.84 feet;

thence South 86 degrees 44 minutes 50 seconds West, 354.40 feet;

thence North 03 degrees 48 minutes 58 seconds West, 389.43 feet;

thence South 89 degrees 39 minutes 18 seconds East, 731 feet, more or less, to the center line of County State Aid Highway 25;

thence southerly along said center line 255 feet, more or less, to the north line of said East Half of the Northeast Quarter of the Southwest Quarter;

thence South 89 degrees 03 minutes 59 seconds West, 529.31 feet along the north line of said East Half of the Northeast Quarter of the Southwest Quarter to the point of beginning; containing 5.8 acres, more or less.

Sec. 28. [CONVEYANCE OF STATE LANDS TO RENVILLE COUNTY.]

Subdivision 1. [PICNIC GROUNDS AREA OF BIRCH COULEE BATTLEFIELD STATE HISTORIC SITE.] The director of the Minnesota historical society shall transfer and convey, by quit claim deed in the form the attorney general approves, to Renville county the picnic grounds area of Birch Coulee battlefield state historic site described in subdivision 2. The conveyance shall contain a provision that the land shall revert to the state if the county fails to maintain and operate the area as a public park without jeopardy to the historical integrity of the battlefield area.

Subd. 2. [DESCRIPTION.] The land authorized to be conveyed in subdivision 1 is situated in the state of Minnesota, county of Renville, and is further described as follows:

All that part of the NW 1/4 of the SW 1/4, section 20, Township 113 North, Range 34 West, Renville County lying East of a line described as follows:

Starting at the West 1/4 corner section 20 thence East 440' along the 1/4 line to the point of beginning of a line to be described; thence S 3°-30' W, 717'; thence S 54°-30' E, 281'; thence S 2°-50' W, 448' to a point on the South line of the NW 1/4 of the SW 1/4, Section 20 and there terminating. Said tract contains 25.1 acres, more or less.

Sec. 29. [RESOURCE RECOVERY FACILITIES.]

Subdivision 1. A resource recovery facility that reclaims, burns, uses, processes, or disposes of more than 1,000 tons average daily throughput of mixed municipal solid waste may not be constructed within the boundaries of a city of the first class having a population in excess of 300,000 unless the city council approves the construction by a four-fifths vote.

Subd. 2. Provided all environmental laws or regulations administered by the Minnesota pollution control agency or federal agencies are followed, and notwithstanding any ordinance or municipal land use plan to the contrary, Hennepin County may acquire land and construct one or two resource recovery facilities, each not to exceed 1,000 tons average daily throughput within the county; provided however, a resource recovery facility shall not be built at the "west riverbank" site in the city of Minneapolis as identified in the final 1983 report of the city-county resource recovery siting committee. In choosing the two sites, Hennepin County shall fully consult in good faith with any affected municipality. In selecting sites, the county board shall evaluate reasonable alternatives for the resource recovery facilities, including any outside the city of Minneapolis.

Sec. 30. Minnesota Statutes 1982, section 3.099, subdivision 2, is amended to read:

Subd. 2. (THE COMPENSATION OF EACH MEMBER OF THE LEGISLATURE UNTIL THE START OF THE LEGISLATIVE SESSION IN 1979 SHALL BE \$8,400 PER YEAR. COMMENCING WITH THE START OF THE LEGISLATIVE SESSION IN 1979, THE COMPENSATION OF EACH MEMBER OF THE LEGISLATURE SHALL BE \$16,500 PER YEAR.) Effective January 1, 1980, the compensation of each member of the legislature will be \$18,500 per year. Commencing with the start of the legislative session in 1985, the compensation of each member of the legislature shall be \$21,140 per year. Effective January 1, 1986, the compensation of each member of the legislature will be \$22,350 per year.

Sec. 31. Minnesota Statutes 1982, section 3.3005, is amended to read:

3.3005 [FEDERAL MONEY; EXPENDITURE REVIEW.]

Subdivision 1. As used in this section, the term "state agency" means all agencies in the executive branch of state government, but does not include the Minnesota historical society, the University of Minnesota, state universities, or community colleges.

Subd. 2. (EXCEPT AS PROVIDED IN SUBDIVISION 4.) A state agency shall not expend money received by it under any federal law for any purpose unless a request to spend federal money from that source for that purpose in that fiscal year has been submitted by the governor to the legislature as a part of his biennial budget request or as part of a supplementary or deficiency budget request, or unless specifically authorized by law or as provided by this section.

Subd. 3. When a request to spend federal money has been included in the governor's budget or authorized by law as described in subdivision 2, but the amount of federal money received will require a state match greater than that included in the governor's budget request or authorized by law, the federal money that will require an additional state match shall not be allotted for expenditure until the (STATE AGENCY HAS FIRST PRESENTED TO THE LEGISLATIVE ADVISORY COMMISSION A REQUEST IN THE MANNER OF A BUDGET REQUEST AND HAS RECEIVED THE RECOMMENDATION OF THE COMMISSION ON IT. FAILURE OR REFUSAL OF THE COMMISSION TO MAKE A RECOMMENDATION PROMPTLY IS DEEMED A NEGATIVE RECOMMENDATION) requirements of subdivision 5 are met.

Subd. 4. If federal money becomes available to the state for expenditure while the legislature is not in session, and the availability of money from that source or for that purpose or in that fiscal year could not reasonably have been anticipated and included in the governor's budget request, and an urgency requires that all or a portion of the money be allotted before the legislature reconvenes, all or a portion of the money may be allotted to a state agency after (IT HAS SUBMITTED TO THE LEGISLATIVE ADVISORY COMMISSION A REQUEST IN THE MANNER OF A BUDGET REQUEST AND HAS RECEIVED THE COMMISSION'S RECOMMENDATION ON IT. FAILURE OR REFUSAL OF THE COMMISSION TO MAKE A RECOMMENDATION WITHIN 30 DAYS IS DEEMED A NEGATIVE RECOMMENDATION) the requirements of subdivision 5 are met.

Subd. 5. Federal money that becomes available under subdivisions 3 and 4 may not be allotted until the commissioner of

finance has first submitted the request to the members of the legislative advisory commission for their review and recommendation for further review. If a recommendation is not made within ten days, no further review by the legislative advisory commission is required, and the commissioner shall approve or disapprove the request. If the recommendation by any member is for further review the governor shall submit the request to the legislative advisory commission for its review and recommendation. Failure or refusal of the commission to make a recommendation promptly is a negative recommendation.

Sec. 32. Minnesota Statutes 1983 Supplement, section 3.3026, subdivision 5, is amended to read:

Subd. 5. [PUBLICATION.] The legislative reference library shall prepare a directory by (JANUARY 1) *June 30, 1985*. The directory shall be prepared in a format which the legislative reference library, in its discretion, believes is most efficient and beneficial to the user.

Sec. 33. 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.*

Sec. 34. Minnesota Statutes 1982, section 10.12, is amended to read:

10.12 [UNCOLLECTIBLE DRAFTS CANCELED.]

Subdivision 1. When any draft or account for a sum in excess of \$100 due to the state is found to be uncollectible by any department, it shall report such fact to the executive council, and the executive council may cancel such draft or account upon the approval of the attorney general.

Subd. 2. When any draft or account for a sum of not more than \$100 due to the state is found to be uncollectible by an agency, the agency head may cancel the draft or account upon the approval of the attorney general. When drafts or accounts are canceled under this subdivision the head of the cancelling agency shall send a certified list of them to the commissioner of finance, who shall enter the cancellations on the department of finance's records.

Sec. 35. Minnesota Statutes 1982, section 10.14, is amended to read:

10.14 [CERTIFICATION BY EXECUTIVE SECRETARY.]

When any drafts or accounts are canceled *by the executive council* under sections 10.12 to 10.15 the executive secretary shall make a certified list thereof to the commissioner of finance and treasurer, whose duty it shall be to cancel the record thereof in their offices.

Sec. 36. Minnesota Statutes 1982, section 10.15, is amended to read:

10.15 [TIME OF CANCELLATION.]

No draft or account for a sum in excess of (\$100) \$500 shall be canceled until more than (SIX) *three* years after the issuance of such draft or the due date of such account, and nothing in sections 10.12 to 10.15 shall be construed as a cancellation or abandonment of the state's claim against the person or corporation against whom the canceled draft was drawn or account held, but the state shall nevertheless have authority to make collection thereof.

Sec. 37. Minnesota Statutes 1983 Supplement, section 10A.04, subdivision 4, is amended to read:

Subd. 4. The report shall include such information as the board may require from the registration form and the following information for the reporting period:

(a) The lobbyist's total disbursements on lobbying and a breakdown of those disbursements into categories specified by the board, including but not limited to the cost of publication and distribution of each publication used in lobbying; other printing; media, including the cost of production; postage; travel; fees, including allowances; entertainment; telephone and telegraph; and other expenses;

(b) The amount and nature of each honorarium, gift, loan, item or benefit, excluding contributions to a candidate, equal in value to (\$20) \$50 or more, given or paid to any public official by the lobbyist or any employer or any employee of the lobbyist. The list shall include the name and address of each public official to whom the honorarium, gift, loan, item or benefit was given or paid and the date it was given or paid; and

(c) Each original source of funds in excess of \$500 in any year used for the purpose of lobbying. The list shall include the name, address and employer, or, if self-employed, the occupation

and principal place of business, of each payer of funds in excess of \$500.

Sec. 38. Minnesota Statutes 1982, section 11A.03, subdivision 3, is amended to read:

Subd. 3. [OFFICERS; MEETINGS.] The council shall annually elect a chairman and vice chairman from among its members, and may elect other officers as necessary. The council shall meet (AT LEAST EVERY OTHER MONTH AND) upon the call of the chairman of the council or the chairman of the state board.

Sec. 39. [13.88] [COMMUNITY DISPUTE RESOLUTION CENTER DATA.]

The guidelines shall provide that all files relating to a case in a community dispute resolution program are to be classified as private data on individuals, pursuant to section 13.02, subdivision 12, with the following exceptions:

(1) *When a party to the case has been formally charged with a criminal offense, the data are to be classified as public data on individuals, pursuant to section 13.02, subdivision 15.*

(2) *Data relating to suspected neglect or physical or sexual abuse of children or vulnerable adults are to be subject to the reporting requirements of sections 626.556 and 626.557.*

Sec. 40. Minnesota Statutes 1983 Supplement, section 15A.081, subdivision 1, is amended to read:

Subdivision 1. The governor shall set the salary rate within the ranges listed below for positions specified in this subdivision, upon approval of the legislative commission on employee relations and the legislature as provided by section 43A.18, subdivisions 2 and 5:

	Salary Range Effective July 1, 1983
Commissioner of education;	\$57,500-\$70,000
Commissioner of finance;	
Commissioner of transportation;	
Commissioner of public welfare;	
Chancellor, community college system:	

Chancellor, state university system;

Director, vocational technical
education;

Executive director, state board of
investment;

Commissioner of administration; \$50,000-\$60,000

Commissioner of agriculture;

Commissioner of commerce;

Commissioner of corrections;

Commissioner of economic security;

Commissioner of employee relations;

Commissioner of energy and economic
development;

Commissioner of health;

Commissioner of labor and industry;

Commissioner of natural resources;

Commissioner of revenue;

Commissioner of public safety;

Chairperson, waste management board;

Chief hearing examiner; office of
administrative hearings;

Director, pollution control agency;

Director, state planning agency;

Executive director, higher education
coordinating board;

Executive director, housing finance
agency;

Executive director, teacher's
retirement association;

Executive director, state retirement system;

Commissioner of human rights; \$40,000-\$52,500

Director, department of public service;

Commissioner of veterans' affairs;

Executive director, educational computing consortium;

(EXECUTIVE DIRECTOR, ENVIRONMENTAL QUALITY BOARD;)

Director, bureau of mediation services;

Commissioner, public utilities commission;

Member, transportation regulation board;

(CHAIRPERSON, WASTE MANAGEMENT BOARD;)

Director, zoological gardens.

Sec. 41. Minnesota Statutes 1983 Supplement, section 15A.081, subdivision 6, is amended to read:

Subd. 6. The following salaries are provided for the constitutional officers of the state:

	Effective July 1 1983	<i>Effective</i> <i>January 1</i> <i>1985</i>
Governor	\$75,000	\$84,560
Attorney general	62,500	66,060
Lieutenant governor	44,000	46,510
Auditor	48,000	50,740
Secretary of state	44,000	46,510
Treasurer	44,000	44,000

The salaries of the chief deputy attorney general, deputy auditor, deputy secretary of state and deputy treasurer shall be

set by their superior constitutional officer and may be up to 95 percent of the salaries of their respective superior constitutional officers.

Sec. 42. Minnesota Statutes 1983 Supplement, section 15A.082, is amended to read:

15A.082 [COMPENSATION COUNCIL.]

Subdivision 1. [CREATION.] A compensation council is created *each even-numbered year* to assist the legislature in establishing the compensation of constitutional officers, members of the (MINNESOTA) legislature, justices of the supreme court, and judges of the court of appeals, district court, county court, and county municipal court.

Subd. 2. [MEMBERSHIP.] The compensation council consists of 16 members: two members of the house of representatives appointed by the speaker of the house of representatives; two members of the senate appointed by the majority leader of the senate; one member of the house of representatives appointed by the minority leader of the house of representatives; one member of the senate appointed by the minority leader of the senate; two nonjudges appointed by (AND SERVING AT THE PLEASURE OF) the chief justice of the supreme court; and one member from each congressional district appointed by (AND SERVING AT THE PLEASURE OF) the governor, of whom no more than four may belong to the same political party. The compensation and removal of members appointed by the governor or the chief justice shall be as provided in section 15.059, subdivisions 3 and 4. The legislative coordinating commission shall provide the council with administrative and support services.

Subd. 3. [SUBMISSION OF (PLAN) RECOMMENDATIONS.] By January 1 (, 1984) *in each odd-numbered year*, the compensation council shall submit to the speaker of the house of representatives and the president of the senate (RECOMMENDED) salary (PLANS) *recommendations* for constitutional officers, legislators, justices of the supreme court, and judges of the court of appeals, district court, county court, and county municipal court. (UNLESS THE PLANS FOR CONSTITUTIONAL OFFICERS AND LEGISLATORS ARE EXPRESSLY MODIFIED OR REJECTED IN A BILL PASSED BY THE LEGISLATURE AND SIGNED BY THE GOVERNOR, THE SALARY PLANS SHALL TAKE EFFECT ON JANUARY 1, 1985 IF PRIOR TO THAT DATE AN APPROPRIATION OF FUNDS TO PAY SALARIES AS RECOMMENDED IN THE PLAN IS ENACTED. UNLESS THE PLAN FOR JUDGES IS EXPRESSLY MODIFIED OR REJECTED IN A BILL PASSED BY THE LEGISLATURE, THE PLAN SHALL TAKE EFFECT ON JULY 1, 1984, IF THE LEGISLATURE APPROPRIATES FUNDS TO PAY

THE SALARIES PROPOSED IN THE PLAN.) *The recommended salary adjustments must occur only once, on the effective date of the plan. They may not include periodic adjustments. The salary recommendations for legislators, judges, and constitutional officers take effect on the first Monday in January of the next odd-numbered year; if an appropriation of money to pay the recommended salaries is enacted after the recommendations are submitted and before their effective date. Recommendations may be expressly modified or rejected by a bill enacted into law. The salary (PLAN) recommendations for legislators (SHALL BE) are subject to additional terms that may be adopted according to section 3.099, subdivisions 1 and 3.*

Subd. 4. [CRITERIA.] In making compensation recommendations, the council shall consider the amount of compensation paid in government service and the private sector to persons with similar qualifications, the amount of compensation needed to attract and retain experienced and competent persons, and the ability of the state to pay the recommended compensation. In making recommendations for legislative compensation, the council shall also consider the average length of a legislative session, the amount of work required of legislators during interim periods, and opportunities to earn income from other sources without neglecting legislative duties.

Subd. 5. [CONFLICTS.] Salaries established (BY THE LEGISLATURE) under the procedures specified in subdivision 3 shall take precedence over salaries listed in (MINNESOTA STATUTES,) sections 3.099, 15A.081, and 15A.083 (IN THE EVENT OF CONFLICT).

Subd. 6. [EXPIRATION.] (THE) *Each* compensation council shall expire (ON JUNE 30, 1984) *upon submission of the recommendations required by subdivision 3.*

Sec. 43. Minnesota Statutes 1983 Supplement, section 15A.083, subdivision 1, is amended to read:

Subdivision 1. [ELECTIVE JUDICIAL OFFICERS.] The following salaries shall be paid annually to the enumerated elective judicial officers of the state:

	Effective July 1, 1983	Effective (JULY 1, 1984) January 1, 1985
(1) Chief justice of the supreme court	\$70,000	\$73,700
(2) Associate justice of the supreme court	65,000	\$68,400

(3) Chief judge of the court of appeals	62,500	\$65,800
(4) Judge of the court of appeals	60,000	\$63,100
(5) District judge, judge of county court, probate court, and county municipal court	55,000	\$60,500

Sec. 44. 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. 45. Minnesota Statutes 1982, section 16.026, subdivision 3, is amended to read:

Subd. 3. [PRESCRIBE FEES.] The commissioner of administration may prescribe a schedule of fees to be charged for services rendered by the state or any department or agency thereof in furnishing to applicants therefor certified copies of records or other documents, certifying as to the nonexistence of such records or documents, and for such other reports, publications, or related material as may be applied for. The fees so prescribed by the commissioner of administration, unless the same are otherwise prescribed by law, (SHALL BE IN AN AMOUNT AS NEARLY AS MAY BE TO THE FEES PRESCRIBED BY CHAPTER 357, FOR LIKE OR SIMILAR SERVICES; IF THERE ARE NO FEES SO PRESCRIBED BY SAID CHAPTER FOR A LIKE OR SIMILAR SERVICE, THEN THE COMMISSIONER MAY ESTABLISH A FEE WHICH SHALL BE COMMENSURATE WITH THE COST OF FURNISHING SUCH SERVICE) *may be fixed at the market rate. The commissioner of finance shall approve the estimated market rates if the resulting fees, in total, are estimated to produce receipts in the appropriate fund greater than costs.* Nothing herein contained shall authorize the commissioner of administration to furnish any service which is now prohibited or unauthorized by law.

Sec. 46. Minnesota Statutes 1982, section 16.026, subdivision 7, is amended to read:

Subd. 7. [RULES.] The powers conferred herein to the commissioner of administration are in addition to those powers and duties prescribed by section 16.02. The commissioner of administration shall promulgate rules (AND REGULATIONS) for the purposes of carrying out the duties herein imposed upon him, *except for prescribing the schedule of fees*, but no (SUCH) rule (OR REGULATION) shall in any way limit the subject matter of any report or publication of any department or agency required to be made or authorized by law.

Sec. 47. Minnesota Statutes 1982, section 16.081, is amended to read:

16.081 [CITATION AND PURPOSE.]

Sections 16.081 to 16.086 may be cited as the "Minnesota small business procurement act." *These sections prescribe procurement practices and procedures to assist in the economic development of small businesses and small businesses owned and operated by socially or economically disadvantaged persons.*

Sec. 48. Minnesota Statutes 1983 Supplement, section 16.083, is amended to read:

16.083 [(PROCUREMENT) DESIGNATION OF PROCUREMENTS FROM SMALL BUSINESSES.]

Subdivision 1. [SMALL BUSINESS (AND MINNESOTA CORRECTIONAL INDUSTRIES SET-ASIDES) *PROCUREMENTS*.] The commissioner of administration shall for each fiscal year (DESIGNATE AND SET ASIDE FOR AWARDING TO) *ensure that small businesses (AND MINNESOTA CORRECTIONAL INDUSTRIES) receive a total of (APPROXIMATELY) at least 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) *the annual designation of (SET-ASIDE) such procurements the commissioner shall attempt (1) to vary the included procurements so that a variety of goods and services produced by different small businesses (SHALL BE SET ASIDE) are obtained each year, and (2) to designate (SET-ASIDE) small business procurements in a manner that will encourage proportional distribution of (SET-ASIDE) such 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) desig-*

nate 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. 1a. [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) *at least 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 16.098 (AND THE SET-ASIDE FOR BUSINESSES OWNED AND OPERATED BY SOCIALLY OR ECONOMICALLY DISADVANTAGED PERSONS). At least six percent of all these procurements for consultant services or professional or technical services shall be set aside for small businesses owned and operated by socially or economically disadvantaged persons.*

Subd. 2. [NEGOTIATED PRICE OR BID CONTRACT.] The commissioner may elect to use either a negotiated price or bid contract procedure *as may be appropriate in the awarding of a procurement contract under the set-aside or preference program established in sections 16.081 to 16.086. The amount of an award shall not exceed by more than five percent the commissioner's estimated price for the goods or services, 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 shall be acceptable security for a construction award under this section.*

Subd. 3. [DETERMINATION OF ABILITY TO PERFORM.] Before (ANNOUNCING A SET-ASIDE) *making an award under the set-aside or preference programs for small businesses owned and operated by socially or economically disadvantaged persons, 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. 4. [PREFERENCE (TO) AND SET-ASIDE PROGRAM FOR SMALL BUSINESSES OWNED AND OPERATED BY SOCIALLY OR ECONOMICALLY DISADVANTAGED PERSONS.] At least (24) *six percent of the value of (THE) all procurements (DESIGNATED FOR SET-ASIDE AWARDS) shall be (AWARDED) set-aside, if possible,*

for award to businesses owned and operated by socially or economically disadvantaged persons. In addition, three percent of the value of all procurements shall be designated for award under the preference program provided for below. 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. The commissioner may allow small businesses owned and operated by socially or economically disadvantaged persons a five percent preference in the bid amount on selected state procurements. The commissioner may promulgate rules relative to the set-aside and preference programs provided for in this subdivision. 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 whom the award is made or another business owned and operated by a socially or economically disadvantaged person or persons. The commissioner shall 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) three-tenths of one 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) or preference advantages for that fiscal year.

Subd. 4a. [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 16.098 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 shall 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 16.085). 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 or to be performed.

This subdivision does not apply to prime contractors that are themselves small businesses owned and operated by socially or economically disadvantaged persons, as duly certified pursuant to section 16.085.

(SUBD. 4B. [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. 5. [RECOURSE TO OTHER BUSINESSES.] In the event that subdivisions 1 to (4B) 4a do not operate to extend a contract award to a small business (OR THE MINNESOTA CORRECTIONAL INDUSTRIES,) the award shall be placed pursuant to the normal solicitation and award provisions set forth in this chapter. The commissioner shall thereupon 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) 4a.

Subd. 6. [PROCUREMENT PROCEDURES.] All laws and rules pertaining to solicitations, bid evaluations, contract

awards and other procurement matters shall apply as consistent to procurements (SET ASIDE) *designated* for small businesses (OR MINNESOTA CORRECTIONAL INDUSTRIES). In the event of conflict with other rules, the provisions of sections 16.081 to 16.086 and rules promulgated pursuant thereto shall govern.

Sec. 49. Minnesota Statutes 1983 Supplement, section 16.28, subdivision 2, is amended to read:

Subd. 2. [PURCHASES OVER \$100.] Purchases may also be made under subdivision 1, clause (17) when the amount involved exceeds \$100 if:

(1) (THE PURCHASES ARE MADE IN ACCORDANCE WITH RULES ADOPTED PURSUANT TO SECTION 16.085;)

((2)) the agency making the purchases has adopted a plan to make ten percent of the purchases on an annual basis from businesses owned and operated by socially and economically disadvantaged persons and to make purchases from vendors throughout the state for any agency that has offices located statewide, and to make purchases from local vendors by agency offices. *If an agency plan does not provide for making the ten percent of purchases required, it must submit to the commissioner written evidence of the agency's good faith effort to locate vendors that are businesses owned and operated by socially or economically disadvantaged persons. The commissioner of administration may promulgate temporary rules that will define, for purposes of this section, what constitutes a "good faith effort." Before the commissioner approves any agency plan that provides for less than ten percent purchases from socially and economically disadvantaged vendors, the plan must be provided to the small business advisory council for its review;*

((3)) (2) the amount involved does not exceed \$1,000 from July 1, 1983 to June 30, 1984, and \$1,500 on and after July 1, 1984; and

((4)) (3) the purchases are made after solicitation of at least three price quotations, whenever possible, which may be oral quotations, but of which the agency must keep a written record.

Sec. 50. Minnesota Statutes 1982, section 16.80, subdivision 1, is amended to read:

Subdivision 1. All fees prescribed pursuant to section 16.026, subdivision 3, for the rendering of the services therein provided shall be deposited in the state treasury by the collecting department or agency and credited to the general services revolving fund.

All moneys in the state treasury credited to the general services revolving fund and any moneys which may hereafter be deposited therein are appropriated annually to the commissioner of administration for the following purposes:

- (a) The operation of a central store and equipment service;
- (b) The operation of a central duplication and reproduction service;
- (c) The purchase of postage and related items, and the refund of postage deposits, necessary to the operation of a central mailing service;
- (d) The operation of a documents service as prescribed by section 16.026;
- (e) The performing of services for any other state department or agency. Money shall be expended for this purpose only when directed by the governor. The department or agency receiving the services shall reimburse the fund for their cost, and the commissioner shall make the appropriate transfers when requested. The term "services" as used in this clause means compensation paid officers and employees of the state government; supplies, materials, equipment and other articles and things used by or furnished to any department or agency of the state government; and utility services, including telephone, telegraph, postal, electric light and power, and other services for the maintenance, operation and upkeep of buildings and offices of the state government. All moneys in the computer services revolving fund are appropriated annually to the commissioner of administration for the operation of the division of computer services.

Except as specifically provided for by other statutory provisions, each department or agency shall reimburse the computer services and general services revolving funds for the cost of all services, supplies, materials, labor and depreciation of equipment including reasonable overhead costs which the commissioner of administration is authorized and directed to furnish a department or agency. The cost of all publications or any other materials which may be produced by the commissioner of administration and financed from the general services revolving fund shall include reasonable overhead costs. The commissioner of finance shall make appropriate transfers to the revolving funds described in this section when requested by the commissioner of administration. The commissioner of administration may make allotments, encumbrances, and, with the approval of the commissioner of finance, disbursements in anticipation of such transfers. In addition, the commissioner of administration, *with the approval of the commissioner of finance*, may require a department or agency to make advance payments to any of the (AFORESAID) revolving funds sufficient to cover the depart-

ment's or agency's estimated obligation for a period of at least 60 days. All such reimbursements and any other moneys received by the commissioner of administration under this section shall be deposited in the appropriate revolving fund. *Earnings in the fund established to account for the documents service prescribed by section 16.026 at the end of a 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.*

Sec. 51. Minnesota Statutes 1982, section 16A.04, subdivision 1, is amended to read:

Subdivision 1. The department of finance shall prepare a biennial budget and (A TEN) four year (CASH RECEIPTS AND DISBURSEMENT PROJECTION IN CONSULTATION WITH THE COMMISSIONER OF ADMINISTRATION) *projections on revenues and expenditures* under the supervision of the governor. In even numbered years immediately before the inauguration of a new governor, (SUCH) *the* budget and (A TEN) four year (CASH RECEIPTS AND DISBURSEMENT PROJECTION) *projections on revenues and expenditures* shall be prepared under the supervision of the governor-elect.

Sec. 52. Minnesota Statutes 1982, section 16A.04, subdivision 4, is amended to read:

Subd. 4. The (DEPARTMENT) *commissioner* of finance may make rules (AND REGULATIONS) governing the powers, duties, and responsibilities (TRANSFERRED) *given to (IT) the department of finance or the commissioner* under (THE TERMS OF LAWS 1973, CHAPTER 492) *state law*.

Sec. 53. Minnesota Statutes 1982, section 16A.06, is amended to read:

16A.06 [OTHER POWERS.]

The commissioner of finance:

(1) Shall require each department in the executive branch to prepare financial reports in such form, and to be made at such intervals, as he may prescribe which will permit administrative and legislative comparisons of spending plans in relation to appropriations for programs and activities;

(2) Shall formulate and prescribe a system of measuring the effect of fund expenditures which will permit the evaluation and comparisons of the cost of functions or programs;

(3) Shall require each department to state in writing objectives of each activity or function authorized against which per-

formance may be measured. The objectives shall be specific as to amount and time and for a period including the current and the following biennium and reported at such times and in such form as the commissioner shall direct;

(4) Shall require the department of revenue and other departments in the executive branch to report at his designated intervals concerning estimates of income and receipts whether from taxes or otherwise, and use such information in evaluating the financial condition and affairs of the state;

(5) Shall make such reports concerning the financial affairs of the state as the governor (OR THE COMMISSIONER OF ADMINISTRATION) may direct in addition to such reporting as may be otherwise prescribed by law;

(6) Shall require such reports and other information of the state treasurer and other departments and agencies in the executive branch as will permit formulation of policy on all fiscal and financial matters of state government.

Sec. 54. 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 for newspaper, magazine, and other subscription fees customarily paid for in advance.*

Sec. 55. Minnesota Statutes 1983 Supplement, section 16A.125, subdivision 5, is amended to read:

Subd. 5. The term "state forest trust fund lands" as used in this subdivision, means any state school lands or other public lands subject to trust provisions under the state constitution and heretofore or hereafter set apart as forest lands under the authority of the commissioner as defined by section 89.001, subdivision 13.

The commissioner of finance and the state treasurer shall keep a separate account of all receipts from the sale of timber or other revenue from such state forest trust fund lands, to be known as the state forest suspense account, specifying the trust funds interested in such lands and the receipts therefrom, respectively.

As soon as practicable after the close of each fiscal (QUARTER) year, upon information which shall be supplied by the commissioner of natural resources, the commissioner of finance

shall determine and certify the total costs incurred by the state during that (QUARTER) *year* under appropriations made for the protection, improvement, administration, and management of state forest trust fund lands for forestry purposes as authorized by law, specifying the trust funds interested in such lands.

As soon as practicable after the end of each fiscal year, the commissioner of finance and the state treasurer shall distribute the receipts credited to the state forest suspense account during that fiscal year as follows:

(1) The total costs incurred by the state for forest management purposes during the fiscal year as certified in this subdivision shall be transferred to the state forest development account, except that if the total costs exceed \$500,000, the costs in excess of \$500,000 shall be transferred to the forest management fund established under section 89.04.

(2) The balance of said receipts shall be transferred to the state trust funds concerned in accordance with their respective interests in the lands from which the receipts were derived.

All moneys accruing and credited to the state forest development account are appropriated to the division of forestry in the department of natural resources, subject to the supervision and control of the commissioner of natural resources, for the purpose of implementing the state forest resource management policy and plan on state forest trust fund lands, to remain available until expended.

All appropriations under this subdivision shall be expended subject to the provisions of law. No appropriation shall become available for expenditure until any estimates required by law are approved by the commissioner of finance. No obligation involving expenditure of money shall be entered into unless there is a balance in the appropriation available not otherwise encumbered to pay obligations previously incurred.

Sec. 56. Minnesota Statutes 1982, section 16A.125, subdivision 6, is amended to read:

Subd. 6. The term "state trust fund lands," as used in this section, means any state school lands or other public lands subject to trust provisions under the state constitution.

Beginning July 1, 1955, the commissioner of finance and the state treasurer shall keep a separate account of all receipts derived from the royalties on, or the sale or lease of, any minerals from such trust fund lands to be known as the state lands and minerals suspense account, specifying the trust funds interested in such lands and the receipts therefrom, respectively.

As soon as practicable after the close of each fiscal (QUARTER) year after July 1, 1955, the commissioner of finance, upon the information supplied by the commissioner of natural resources, which the commissioner of natural resources is herewith directed to furnish, shall determine and certify to the commissioner of finance and the state treasurer the total costs incurred by the state during such (QUARTER) year under appropriations heretofore made for the administration and management of such trust fund lands by the division of lands and forestry, or any other agency so administering and managing, specifying the trust funds interested in such lands, respectively.

As soon as practicable after the end of each fiscal year beginning with the year ending June 30, 1956, the commissioner of finance and the state treasurer shall distribute the receipts credited to the state lands and minerals suspense account during such fiscal year as follows:

All of the costs incurred by the state for the purposes aforesaid during such fiscal year and certified as hereinbefore provided, shall be transferred to the general fund as reimbursement for appropriations heretofore made for the purposes aforesaid. The balances of said receipts shall be transferred to the state trust funds concerned in accordance with their respective interests in the minerals from which the receipts were derived.

Sec. 57. Minnesota Statutes 1983 Supplement, section 16A.127, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] As used in this section the following terms shall have the meanings given them:

(a) "State agency" means a state department, board, council, committee, authority, commission or other entity in the executive branch of state government;

(b) "Nongeneral fund moneys" means any moneys any state agency is authorized to receive and expend from a source other than the general fund;

(c) "Statewide indirect costs" means all operating costs incurred by the state treasurer and all departments and agencies which are attributable to the provision of services to any other state agency; except as prohibited by federal law, ("STATE-WIDE INDIRECT COSTS") *these operating costs include (ALL OPERATING) their proportionate share of costs incurred by the legislative and judicial branches of state government;*

(d) "Commissioner" means the commissioner of finance.

Sec. 58. Minnesota Statutes 1982, section 16A.13, subdivision 1, is amended to read:

Subdivision 1. [(CREATION) *TREASURER AS CUSTODIAN; BOND.*] (THERE IS HEREBY CREATED AND ESTABLISHED THE VICTORY TAX FUND IN WHICH SHALL BE DEPOSITED ALL DEDUCTIONS MADE PURSUANT TO THIS SECTION.) The state treasurer (SHALL BE EX-OFFICIO) *is* the custodian of all moneys deposited with him (TO THE CREDIT OF THE VICTORY TAX FUND AND HIS GENERAL) *for federal tax withheld from the pay of any officer or employee of the state of Minnesota. The treasurer's bond to the state shall cover (ALL) the liability for (HIS) the custodian's acts (AS CUSTODIAN THEREOF). (SUCH MONEYS SHALL BE) The deposits are* subject to (ALL PROVISIONS OF LAW GOVERNING THE) *laws on keeping and (DISBURSEMENT OF) paying out* state (MONEYS, SO FAR AS APPLICABLE, EXCEPT AS OTHERWISE HEREIN PROVIDED) *money.*

Sec. 59. Minnesota Statutes 1982, section 16A.13, subdivision 2, is amended to read:

Subd. 2. [COMMISSIONER (TO ACT) AS *FEDERAL AGENT (FOR THE UNITED STATES).*] The commissioner (OF FINANCE IS AUTHORIZED AND EMPOWERED TO) *may* cooperate with and act as agent for the United States of America in (THE COLLECTION OF ANY) *collecting federal tax (NOW OR HEREAFTER IMPOSED BY THE UNITED STATES OF AMERICA UPON ANY OFFICER OR EMPLOYEE OF THE STATE OF MINNESOTA OR HIS SALARY OR WAGES WHICH IS TO BE COLLECTED BY WITHHOLDING IT FROM THE SALARY OR WAGES OF THE OFFICER OR EMPLOYEE) from the pay of employees.* The (HEAD OF EACH DEPARTMENT OF THE STATE) *commissioner of finance* is hereby required to cause such tax to be withheld by causing the necessary deduction to be made from the salary or wages of each of said persons on every payroll abstract and to approve one (VOUCHER) *warrant payable to the state treasurer (, CUSTODIAN, VICTORY TAX FUND,)* for the aggregate amount so deducted from the salaries or wages covered by said payroll abstract, provided that deductions from salaries or wages of officers or employees paid direct by any institution or agency of the state shall be made by the officer or employee authorized by law to pay such salaries or wages. Whenever an error has been made with respect to a deduction hereunder, proper adjustment shall be made by decreasing or increasing subsequent deductions. All warrants and checks for deductions hereunder shall be remitted promptly to the state treasurer who shall deposit the amount thereof to the credit of the (VICTORY TAX FUND. THE MONEY SO DEPOSITED WITH THE STATE TREASURER SHALL BE PAID OUT UPON AUTHORIZATION OF THE COMMISSIONER OF FINANCE BY STATE WARRANT PAYABLE TO THE) proper federal authority or such other person as may be authorized by law of the United States of America to receive the same. (SUCH

PORTION OF SAID FUND AS MAY BE) *The money necessary to discharge the obligation of the State of Minnesota to the United States of America now or hereafter imposed by any law of the United States of America requiring deductions from salaries or wages is hereby appropriated for such purpose.*

Sec. 60. Minnesota Statutes 1982, section 16A.131, subdivision 1, is amended to read:

Subdivision 1. Every officer and employee of the state may purchase and pay for bonds (, STAMPS,) and other securities issued by the federal government by directing in writing to the appropriate officer of the department where he is employed that deductions of the amount specified by him be made from his salary. The (HEAD OF EACH DEPARTMENT OF THE STATE) *commissioner of finance* is hereby required to cause such deduction to be made from the salary of each said persons on every payroll abstract and to approve one (VOUCHER) *warrant* payable to the state treasurer for the aggregate amount so deducted from the salaries covered by said payroll abstract, provided that deductions from salaries of officers or employees paid direct by any institution or agency of the state shall be made by the officer or employee authorized by law to pay such salaries, and remitted by him to the director by check payable to the state treasurer with a statement showing the amount of each of such deductions and the names of the officers and employees on whose account the same have been made. The money so deposited with the state treasurer shall be paid out on authorization of the (GOVERNOR) *commissioner* by state warrant payable to the proper federal authority or to the officer or employee from whose salary the money was deducted, as the case may require.

Sec. 61. Minnesota Statutes 1982, section 16A.14, subdivision 2, is amended to read:

Subd. 2. [FUNDS TO WHICH SYSTEM APPLIES.] Except as otherwise expressly provided therein, the provisions of this chapter relating to the allotment system and to the encumbering of funds shall apply to appropriations and funds of all kinds, including standing or annual appropriations and dedicated funds from which expenditures are to be made, from time to time, by or under the authority of any agency, but shall not apply to appropriations for the courts or the legislature, nor to payment of unemployment compensation benefits (NOR TO THE FUNDS DEPOSITED IN THE STATE TREASURY FOR DISBURSEMENT BY THE COMMISSIONER OF TRANSPORTATION WHEN ACTING AS THE AGENT OF A POLITICAL SUBDIVISION PURSUANT TO LAW). In the case of construction or other permanent improvement contracts and transactions for the acquisition of real estate, equipment, repair, rehabilitation, appurtenances or utility systems to be used for public purposes, where periodical allotments are impracticable, the commis-

sioner may dispense therewith and prescribe such regulations as will insure proper application and encumbering of funds. Contingent funds appropriated for the governor or the attorney general shall not be subject to the provisions thereof relating to allotment, but shall be subject to the other provisions thereof relating to expenditure and encumbering of funds.

Sec. 62. Minnesota Statutes 1982, section 16A.28, is amended to read:

16A.28 [APPROPRIATIONS TO REVERT TO STATE TREASURY.]

Except as specifically provided for in appropriation acts, every appropriation or part thereof of any kind hereafter made subject to the provisions of this section remaining unexpended and unencumbered at the close of any fiscal year shall lapse and the commissioner shall cause same to be returned to the fund from which such appropriation was made; provided, that the commissioner (**WITH THE APPROVAL OF THE GOVERNOR,**) may reinstate a lapsed appropriation within three months after the date the appropriation lapsed. An appropriation reinstated pursuant to this section shall lapse no later than three months after the date the appropriation has lapsed. No payment may be made pursuant to a reinstated appropriation except as provided under section 16A.15, subdivision 3. Notwithstanding the forgoing, an appropriation for construction or other permanent improvement shall not lapse until the purposes for which the appropriation was made (**SHALL HAVE BEEN**) *are determined by the commissioner of finance, after consultation with the affected agencies, to be accomplished or abandoned* (**UNLESS SUCH APPROPRIATION HAS STOOD DURING THE ENTIRE FISCAL BIENNIUM WITHOUT ANY EXPENDITURE THEREFROM OR ENCUMBRANCE THEREON**).

(ON OCTOBER 16) *By September 1* of each year all allotments and encumbrances for the preceding fiscal year shall be cancelled unless an agency certifies to the commissioner that there is an encumbrance incurred pursuant to law for services rendered or goods ordered in the preceding fiscal year. The commissioner may reinstate that portion of the cancellation needed to meet the certified encumbrance or he may charge the certified encumbrance against the current year's appropriation.

Except as otherwise expressly provided by law, the provisions of this section shall apply to every appropriation of a stated sum for a specified purpose or purposes heretofore or hereafter made, but shall not, unless expressly so provided by law, apply to any fund or balance of a fund derived wholly or partly from special taxes, fees, earnings, fines, federal grants, or other sources which are by law appropriated for special purposes by standing, continuing, or revolving appropriations.

Sec. 63. Minnesota Statutes 1983 Supplement, section 16A.36, is amended to read:

16A.36 [GRANTS FROM AND ADVANCES TO UNITED STATES (, USE).]

Subdivision 1. [USE OF GRANTS.] (ALL FUNDS) Money received by the state from the federal government (OF THE UNITED STATES) as (GRANTS IN AID FOR THE FINANCING OF AID TO DEPENDENT CHILDREN, OR FOR MATERNAL AND CHILD HEALTH SERVICES, OR FOR THE CARE OF CRIPPLED CHILDREN, OR FOR THE CARE OF NEGLECTED CHILDREN AND CHILD WELFARE GENERALLY, OR FOR VOCATIONAL REHABILITATION, OR FOR THE EXTENSION OF PUBLIC HEALTH SERVICES, OR FOR ANY OTHER PUBLIC ASSISTANCE OR PUBLIC WELFARE PURPOSE) federal assistance shall be used solely for the purpose for which the (GRANT WAS MADE) money is received. (ANY) If required by the proper federal authorities, interest or income arising from the (FUNDS SO GRANTED SHALL) money received may be credited by the (STATE TREASURER) commissioner of finance to the particular account for which the (GRANT WAS MADE) money is received and used solely for the purpose of that (GRANT) federal assistance program, or may be repaid to the (UNITED STATES) federal treasury (IF THE PROPER AUTHORITIES OR THE GOVERNMENT OF THE UNITED STATES SO REQUIRE, OR OTHERWISE). If not so required, the interest or income shall be credited to the general fund or to another fund authorized to receive the interest or income.

Subd. 2. [RECIPROCAL INTEREST POLICY.] The commissioner of finance may, by agreement with the proper federal authorities, establish an equitable policy providing for the state to pay interest on undisbursed federal money, and providing for the federal government to pay interest to the state on state funds advanced for a federal assistance program.

Sec. 64. Minnesota Statutes 1982, section 16A.45, is amended to read:

16A.45 [OUTSTANDING UNPAID WARRANTS, CANCELLATION.]

Subdivision 1. [CANCEL; CREDIT.] (AT THE BEGINNING OF) Once each fiscal year the commissioner of finance and the state treasurer shall cancel upon their books all outstanding unpaid commissioner of finance's warrants, except warrants issued for the medical assistance program, that have been issued and delivered for more than (SIX) five years prior to that date and credit to the general fund the respective amounts of the canceled warrants. Once each fiscal year the commissioner of finance and the state treasurer shall cancel upon their

books all outstanding unpaid commissioner of finance's warrants issued for the medical assistance program that have been issued and delivered for more than one year and credit to the general fund and the appropriate account in the federal fund, the amount of the canceled warrants.

Subd. 2. [PRESENTMENT OF CANCELED WARRANT.] When (ANY) a canceled warrant is presented for payment it shall be (TAKEN UP BY THE COMMISSIONER AND A NEW WARRANT FOR THE SAME AMOUNT, PAYABLE TO THE LAWFUL HOLDER THEREOF, BUT BEARING A CURRENT NUMBER, SHALL BE ISSUED AGAINST THE GENERAL FUND FROM WHICH THE AMOUNT NECESSARY TO PAY THE NEW WARRANT IS HEREBY APPROPRIATED) paid by the state treasurer and charged by the commissioner of finance to the fund credited with the amount of the canceled warrant.

Subd. 3. [APPROPRIATION.] The amounts needed to pay canceled warrants presented for payment are appropriated from the charged funds to the commissioner of finance.

Sec. 65. [16B.01] [MINNESOTA TELECOMMUNICATIONS COUNCIL.]

Subdivision 1. [POLICY.] The legislature finds that telecommunications and information communication technologies involving Minnesota citizens, businesses, units of government, and educational institutions constitute an increasingly important aspect of life in the state. Minnesota should take full advantage of the emerging high technology advances in communications to spur both rural and urban economic development. Therefore, it is in the public interest for Minnesota to promote coordination and to establish leadership in the use of advanced telecommunications resources in the public and private sectors.

Subd. 2. [CREATION; MEMBERSHIP.] The Minnesota telecommunications council is created in the executive branch. The council consists of 23 members, as follows:

(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;

(3) the chair of the public utilities commission, or a designee of the chair;

(4) the chair of the cable communications board, or a designee of the chair;

(5) one member appointed by and serving at the pleasure of the chief justice of the supreme court;

(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

(8) six members appointed by the governor from the general public. In making these appointments the governor shall seek to include, but is not limited to, persons who represent private sector businesses, public broadcasting, commercial broadcasting, nonbroadcast communication systems, and local and regional government. The governor shall attempt to appoint persons who represent various geographical regions of the state.

Subd. 3. [TERMS OF MEMBERSHIP APPOINTED BY GOVERNOR; COMPENSATION.] Terms and compensation of members are governed by section 15.059, but the provisions of that section governing expiration of advisory groups do not apply to this council.

Subd. 4. [STAFF.] The council shall hire an executive director who shall serve in the unclassified service. The council may hire or contract for other staff.

Subd. 5. [DUTIES.] The council has the following duties:

(1) advise the governor, the legislature, state agencies, institutions of higher education, and political subdivisions on matters of telecommunications policy that may affect the state and its citizens;

(2) foster and stimulate the use of telecommunications services and systems by public agencies for the improvement of the performance of governmental functions;

(3) serve as a clearinghouse of information for the public and private sector about innovative projects, programs, or demonstrations in telecommunications;

(4) assist in the development of state plans for development of telecommunication systems, both public and private;

(5) serve as a means of acquiring governmental and private funds for use in the development of services through telecommunications;

(6) review, assess, and report to the governor and the legislature annually on the telecommunications needs and services of

state and local government, and on effectiveness of state laws relating to telecommunications;

(7) study and evaluate all existing or proposed laws pertinent to the council's duties at all levels of federal, state and local government affecting telecommunications policies, services, and systems, including the relationship of current regulatory structures to new telecommunications technology, and advise the appropriate officials on any needed improvements;

(8) make recommendations regarding the development of coordinated telecommunications networks in the state; and

(9) survey existing telecommunication providers and users to determine if existing services must be improved to meet state economic development goals. In performing this duty the council shall make use of existing surveys and resources.

The council may accept gifts and grants in furtherance of the purposes of this section.

Sec. 66. Minnesota Statutes 1982, section 17.03, is amended by adding a subdivision to read:

Subd. 5. [INTERNATIONAL INVESTMENT.] The commissioner may create a program to assess the potential of international investment in Minnesota and promote international investment that results in the infusion of new capital and the creation of new jobs to the benefit of the state.

Sec. 67. [TRANSFER.]

The duties of the export information office under Minnesota Statutes 1983 Supplement, section 17.106, except subdivision 2, clause (3), are transferred under Minnesota Statutes, section 15.039 to the world trade center board, except that no appropriations or positions are transferred. The commissioner of agriculture shall cooperate fully with the board until this transfer is accomplished.

Sec. 68. Minnesota Statutes 1982, section 43A.30, is amended by adding a subdivision to read:

Subd. 4. The commissioner of employee relations may direct that all or a part of the amounts paid for life insurance and hospital, medical, and dental benefits coverage for eligible employees and other eligible persons be deposited by the state in a separate fund in the state treasury, from which the approved claims of eligibles are to be paid. Investment income and investment losses attributable to the investment of the separate fund shall be credited to the fund. There is appropriated from the separate fund to the commissioner of finance amounts needed

to pay the approved claims of eligibles, related service charges, insurance premiums, and refunds.

Sec. 69. Minnesota Statutes 1982, section 43A.27, is amended by adding a subdivision to read:

Subd. 5. [EMPLOYEES OF EXCLUSIVE REPRESENTATIVES.] Upon request of an exclusive representative of state employees listed in section 179.741, subdivision 1, those employees of exclusive representatives whose duties involve representing state employees for at least 75 percent of their time and their dependents may elect to enroll at their own expense in the appropriate life insurance, hospital, medical and dental benefits, and optional coverages at the time, in the manner, and under the conditions of eligibility the commissioner prescribes and otherwise approves.

Sec. 70. [44A.01] [WORLD TRADE CENTER BOARD.]

Subdivision 1. [MEMBERSHIP.] (a) A world trade center board is created to facilitate and support Minnesota world trade center programs and services and promote the growth of international trade in Minnesota. The world trade center board consists of nine voting members and four legislators serving as nonvoting members. Three members are representatives of the membership of the Minnesota world trade center, one member is a representative of the international business community, and one member is a representative of the agricultural community.

(b) The initial voting members are appointed by the governor with the advice and consent of the senate for a term expiring the first Monday in January 1987. A vacancy is filled in the same manner as the appointment.

(c) Legislator members are two members of the senate appointed under the rules of the senate and two members of the house of representatives appointed by the speaker. Except for the initial members, who are to be appointed following enactment, they are appointed at the beginning of each regular session of the legislature for two-year terms. A legislator who remains a member of the body from which he was appointed may serve until a successor is appointed and qualifies. A vacancy in a legislator member's term is filled for the unexpired portion of the term in the same manner as the original appointment.

Subd. 2. [TERMS; COMPENSATION; REMOVAL.] Except as provided in this section, terms, compensation, and removal of members who are not legislators are as provided in section 15.059.

Subd. 3. [ORGANIZATION.] The chair of the world trade center board is selected by the board members.

Sec. 71. [44A.02] [EXECUTIVE DIRECTOR.]

Subdivision 1. [SELECTION.] The executive director of the world trade center board is selected by a majority of the board and serves at the pleasure of the board. The executive director must be familiar with the international business community, and have demonstrated proficiency in communication skills, administration and management, and public and private joint ventures. The salary of the executive director is set by the board within the limit set by sections 15A.081, subdivision 1, and 43A.17.

Subd. 2. [DUTIES.] The executive director is the chief administrative officer of the board and is responsible for performing the executive duties of the board. The executive director is not a member of the board.

Subd. 3. [EMPLOYEES.] The executive director may appoint unclassified employees in accordance with chapter 43A and prescribe their duties. The executive director may delegate to a subordinate the exercise of specified statutory powers or duties as the executive director deems advisable, subject to the control of the executive director.

Sec. 72. [44A.03] [WORLD TRADE CENTER FUND.]

There is established in the state treasury a world trade center fund. All money collected and gifts received by the world trade center board shall be deposited in the fund. Money in the fund including interest earned is annually appropriated to the board for the operation of services and programs through the world trade center.

Sec. 73. [44A.04] [GIFT ACCEPTANCE.]

The world trade center board may accept gifts without regard to sections 7.09 to 7.12 if the board determines that the gift will serve the purposes of the world trade center.

Sec. 74. [44A.05] [CONTRACTING AUTHORITY.]

The world trade center board may contract for the development, financing, construction, and management of the world trade center facility and park.

Sec. 75. [44A.06] [WORLD TRADE CENTER COSTS.]

If a world trade center project of the kind contemplated by Laws 1983, chapter 301, section 29, is carried out, the participation of the state government is limited as provided in this section.

- (a) *The state shall not own space in the center.*
- (b) *The state shall not rent more than ten percent of the gross space in the center.*
- (c) *The state shall not incur debt to assist the project.*
- (d) *The state shall not provide a special property tax classification that would give the center a more favorable property tax treatment than other office buildings.*

Sec. 76. [44A.07] [WORLD TRADE CENTER SERVICES.]

Subdivision 1. [SERVICES.] The world trade center board may:

- (1) *define, formulate, administer, and deliver programs and services through the world trade center;*
- (2) *provide and contract for services and programs through the world trade center, including: a library and research service providing information on world trade; a trade lead service, providing and authenticating information about international trade opportunities; a club for world trade center club members; telecommunications services; translation and interpretation services; temporary secretarial and other business services; language instruction; educational conferences and seminars; and other programs and services that serve the purposes of the world trade center, in the determination of the board;*
- (3) *establish and charge fees for services and programs provided without regard to chapter 14;*
- (4) *establish membership requirements for Minnesota world trade center operations without regard to chapter 14;*
- (5) *establish satellite operations of the Minnesota world trade center;*
- (6) *maintain active membership in the world trade center association;*
- (7) *create an international communication network to coordinate international trade information and activities;*
- (8) *compile international trade information from, among other places, the United States Department of Commerce and private sources, and provide marketing information to business persons;*

(9) assist public and private universities or colleges to develop undergraduate or graduate level education programs to train persons regarding export trading; and

(10) coordinate the international trading activities of state and local agencies and organizations.

Subd. 2. [JOINT PROJECTS, CONTRACTS, EXPENDITURES.] *In order to implement the authorities of subdivision 1, the board may participate jointly with private persons and public entities in appropriate programs and projects and may enter into contracts to carry out those programs and projects. In making any expenditure or contract the board is not subject to chapter 16.*

Sec. 77. [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.

Sec. 78. [84.026] [CONTRACTS FOR PROVISION OF NATURAL RESOURCES SERVICES.]

The commissioner of natural resources is authorized to enter into contractual agreements with any public or private entity for the provision of statutorily prescribed natural resources services by the department. The contracts shall specify the services to be provided and the amount and method of reimbursement. Funds generated in a contractual agreement made pursuant to this section shall be deposited in the special revenue fund and are appropriated to the department for purposes of providing the services specified in the contracts. All such contractual agreements shall be processed in accordance with the provisions of section 16.098. The commissioner shall report revenues collected and expenditures made under this section to the chairmen of the committees on appropriations in the house and finance in the senate by January 1 of each odd-numbered year.

Sec. 79. Minnesota Statutes 1982, section 84.085, is amended to read:

84.085 [ACCEPTANCE OF GIFTS.]

The commissioner of natural resources may accept for and on behalf of the state any gift, bequest, devise, or grants of lands or interest in lands or personal property of any kind or of money tendered to the state for any purpose pertaining to the activities of the department or any of its divisions. Any money so received is hereby appropriated and dedicated for the purpose for which it is granted. Lands and interests in lands so received may be sold or exchanged as provided in chapter 94.

Sec. 80. Minnesota Statutes 1982, section 84A.53, is amended to read:

84A.53 [CERTAIN (FUNDS) RECEIPTS NOT CREDITED TO (GENERAL) CONSOLIDATED FUND.]

Subdivision 1. [TAX LEVIES.] All moneys heretofore or hereafter collected from tax levies heretofore made pursuant to Minnesota Statutes 1945, Chapter 84A, shall be deposited in the state treasury to the credit of the general fund. Upon completion of the payment provided for in section 84A.52 the commissioner of finance shall make the appropriate entries. None of the moneys referred to in this section shall be used for the payments provided for in section 84A.52 until all other moneys in the consolidated fund have been expended.

Subd. 2. [LAND SALES.] The portion of the money received from the sale of tax-forfeited lands that are held by the state pursuant to section 84A.07, 84A.26, or 84A.36, that would not be paid to the counties if all of the sale proceeds were deposited in the consolidated conservation fund, shall be deposited in the land acquisition account. The remaining amount shall be paid to the counties under section 84A.51 as if all of the sale proceeds were deposited in the consolidated conservation fund.

Sec. 81. Minnesota Statutes 1982, section 84A.54, is amended to read:

84A.54 [CERTAIN COLLECTIONS DEPOSITED IN CONSOLIDATED FUND.]

Except as provided in section 84A.53, all moneys hereafter received from any source pursuant to Minnesota Statutes 1945, chapter 84A (, OR FROM THE SALE OF TAX-FORFEITED LANDS WHICH ARE HELD BY THE STATE PURSUANT TO MINNESOTA STATUTES 1945, SECTIONS 84A.07, 84A.26 OR 84A.36) shall be deposited in the consolidated fund.

Sec. 82. Minnesota Statutes 1982, section 84A.55, subdivision 9, is amended to read:

Subd. 9. The commissioner may make necessary investigations and surveys for and may undertake projects for the drainage of any state owned lands within any game preserve, conservation area, or other area subject to the provisions hereof so far as he shall determine that such lands will be benefited thereby in furtherance of the purposes for which the area was established, and may pay the cost thereof out of any funds appropriated and available therefor. If the commissioner shall determine after investigation that any project for the construction, repair, or improvement of any public ditch or ditch system undertaken by any county or other public agency as otherwise

provided by law will benefit such lands in furtherance of said purposes, he may cooperate in such project by joining in the petition therefor or consenting thereto or approving the same upon such conditions as he shall determine, and (MAY) shall authorize the imposition of assessments therefor upon such lands in such amounts as he shall determine, or may make lump sum contributions to the county or other public funds established for the payment of the cost of the project; provided, such assessments or contributions shall not in any case exceed the value of such benefits to such state owned lands as determined by the commissioner and specified by his written certificates or other statement filed in the proceedings, and shall be payable only out of funds appropriated and available therefor in such amounts as the commissioner may determine. *The commissioner of natural resources shall establish by rule before January 1, 1986, the criteria for determining benefits to state-owned lands held or used for the purpose of protecting or propagating wildlife, providing hunting or fishing for the public, or other purposes relating to conservation, development, or use of soil, water, forests, wild animals, or related natural resources.*

Sec. 83. [84A.56] [CONSOLIDATED CONSERVATION LAND ACQUISITION AND DISPOSITION.]

Subdivision 1. [CONSOLIDATED CONSERVATION LAND ACQUISITION AND DISPOSITION PLAN.] Before the commissioner may acquire or dispose of land in the game preserves, areas and projects established under Minnesota Statutes 1945, section 84A.01, 84A.20, or 84A.31, in any county, the commissioner must prepare a county land acquisition and disposition plan. The plan must identify the general areas where the commissioner intends to acquire or dispose of land and their accompanying reasons. The plan must emphasize a balance of uplands and wetlands.

Subd. 2. [REVIEW BY COUNTY BOARD.] The plan must be submitted to the county board for review and comment. The board must notify the commissioner of natural resources of any concerns or disagreements with the plan within 90 days after receiving the plan or proposal.

Subd. 3. [DEPARTMENT REVIEW OF APPRAISALS.] The county board must submit appraisals for land offered for sale under this section to the commissioner for review at least 30 days before the date of the sale.

Sec. 84. [84A.57] [CERTAIN TAX-FORFEITED LAND HELD IN TRUST FOR COUNTY.]

Notwithstanding any law to the contrary, land that forfeits to the state for nonpayment of taxes and is in a game preserve, areas or projects established under Minnesota Statutes 1945, section 84A.01, 84A.20, or 84A.31 shall be held in trust for the

taxing district as land outside a game preserve, area, or project. The lands shall be disposed of and managed, and have income from the land allocated, in the same manner as land that is outside a game preserve, area, or project.

Sec. 85. Minnesota Statutes 1982, section 84B.03, is amended by adding a subdivision to read:

Subd. 4. [CONVEYANCE.] In furtherance of boundary adjustments to Voyageurs National Park authorized by Congress in Public Law 97-405, and notwithstanding any other law to the contrary, the governor, after consulting the commissioner of natural resources, shall donate and convey to the United States of America, for Voyageurs National Park, the state's interest in the following described lands:

Lot 7, Section 4, Township 68 North, Range 18 West.

The lands shall be donated and conveyed only after \$30,000 has been paid by the commissioner of natural resources to the city of Tower in return for a conveyance to the state of all right, title, and interest of the city of Tower in the land. All conveyances required by this subdivision shall comply with subdivision 1, except for the provision required by clause (1)(a) of that subdivision.

Sec. 86. Minnesota Statutes 1983 Supplement, section 85.40, subdivision 5, is amended to read:

Subd. 5. [CROSS COUNTRY SKI TRAIL.] "Cross country ski trail" means a public pathway designated and promoted for cross country skiing, excluding trails that have not received state acquisition or betterment funds for recreational purposes.

Sec. 87. Minnesota Statutes 1983 Supplement, section 85.41, subdivision 3, is amended to read:

Subd. 3. [EXEMPTIONS.] Participants in cross country ski races and official school activities and residents of a state or local government operated correctional facility are exempt from the license requirement in subdivision 1 if a special use permit has been obtained by the organizers of the event or those in an official capacity in advance from the agency with jurisdiction over the cross country ski trail. Permits shall require that permit holders return the trail and any associated facility to its original condition if any damage is done by the permittee. Limited permits for special events may be issued and shall require the removal of any trail markers, banners, and other material used in connection with the special event.

Sec. 88. Minnesota Statutes 1983 Supplement, section 85.41, subdivision 4, is amended to read:

Subd. 4. [FORM.] The department shall provide forms and blanks to all agents authorized to issue licenses and daily permits by the commissioner. The (LICENSE AND) daily permit shall attach to the skier's clothing to visibly identify the holder as a licensed skier, and be easily transferable from garment to garment by means of a device prescribed by the commissioner in consultation with the advisory task force. *The annual license shall be with the skier and a sticker shall be placed on the skier's ski poles to identify the holder as a licensed skier.* The license and permit shall include the applicant's name and other information deemed necessary by the commissioner.

Sec. 89. Minnesota Statutes 1983 Supplement, section 85.41, subdivision 5, is amended to read:

Subd. 5. [AGENT'S FEE.] The fee for an annual cross country ski license and a daily permit shall be increased by the amount of an issuing fee of 50 cents per license. The issuing fee may be retained by the (COUNTY AUDITOR OR HIS AGENT OR SUBAGENT WHO SELLS) *seller* of the license or permit. A license or permit shall indicate the amount of the fee that is retained by the (AGENT) *seller*. This subdivision does not apply to any license or permit sold by the state (, OR AT A PARK).

Sec. 90. Minnesota Statutes 1982, section 94.16, is amended to read:

94.16 [(FUNDS, HOW DISPOSED OF) *DISPOSITION OF PROCEEDS FROM SURPLUS STATE-OWNED LAND.*]

Subdivision 1. [PAYMENT OF EXPENSES.] (ALL MONEYS) *Money* received from the sale of (SUCH LANDS OR LOTS) *surplus state-owned land* shall be credited to the general fund (OF THE STATE,) except (THAT) *as provided in this section.*

Subd. 2. [PAYMENT OF EXPENSES.] A portion of the proceeds from the sale equal in amount to the survey, appraisal, legal, advertising, and other expenses incurred by the commissioner of administration or other state official in rendering the property saleable shall be remitted to the account from which the expenses were paid, and are appropriated and immediately available for expenditure in the same manner as other money in the account.

Subd. 3. [PROCEEDS FROM NATURAL RESOURCES LAND.] *The remainder of the proceeds from the sale of lands that were under the control and supervision of the commissioner of natural resources shall be credited to the land acquisition account.*

Sec. 91. [94.165] [LAND ACQUISITION ACCOUNT.]

There is created in the state treasury a land acquisition account. Subject to appropriation by law, money in the account is available to the commissioner of natural resources for the acquisition of natural resource lands or interests in lands within the outdoor recreation system established in chapter 86A.

Sec. 92. [115A.90] [DEFINITIONS.]

Subdivision 1. [APPLICABILITY.] The definitions in this section apply to sections 92 to 98.

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 the 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 deposit of more than 50 waste tires.

Subd. 9. [TIRE DUMP.] "Tire dump" means an establishment, site, or place of business without a required tire collector or tire processor permit 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. 93. [115A.902] [PERMIT; TIRE COLLECTORS, PROCESSORS.]

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.

Subd. 4. [PERMIT FEE.] The revenue from permit fees shall be credited to the general fund.

Sec. 94. [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. 95. [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 abate a nuisance by processing and removing the tires. Before taking any action to

abate a nuisance, the agency shall give notice to the tire collector responsible for the nuisance that the tires to be processed and removed constitute a nuisance and demand that the tires be shredded or chipped or removed within a specified period. Failure of the tire collector to take the required action within the specified period shall result in the issuance of an agency order to abate the nuisance. The abatement order may include entering the property where the nuisance is located, taking tires into public custody, and providing for their processing and removal. The agency order may be enforced pursuant to the provisions of section 115.071.

Subd. 3. [RECOVERY OF EXPENSES.] Any reasonable and necessary expenses incurred by the agency for abatement costs, and administrative and legal expenses, may be recovered in a civil action brought by the attorney general against any tire collector responsible for the nuisance. The agency's certification of expenses shall be prima facie evidence that the expenses are reasonable and necessary.

Subd. 4. [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.

Sec. 96. [115A.908] [MOTOR VEHICLE TRANSFER FEE.]

Subdivision 1. [FEE CHARGED.] A fee of \$4 shall be charged on the initial registration and each subsequent transfer of title within the state, other than transfers for resale purposes, of every motor vehicle weighing more than 1,000 pounds. The fee shall be collected in an appropriate manner by the motor vehicle registrar. Registration plates or certificates may not be issued by the motor vehicle registrar for the ownership or operation of a motor vehicle subject to the transfer fee unless the fee is paid. The fee may not be charged on the transfer of:

(1) previously registered vehicles if the transfer is to the same person;

(2) vehicles subject to the conditions specified in section 297A.25, subdivision 1, clause (j); or

(3) vehicles purchased in another state by a resident of another state if more than 60 days have elapsed after the date of purchase and the purchaser is transferring title to this state and has become a resident of this state after the purchase.

Subd. 2. [DEPOSIT OF REVENUE.] Revenue collected shall be credited to the general fund.

Subd. 3. [REPEALER.] This section is repealed on December 31, 1994.

Sec. 97. [115A.912] [WASTE TIRE COLLECTION.]

Subdivision 1. [PURPOSE.] Money appropriated to the agency for waste tire collection may be spent for elimination of health and safety hazards of tire dumps and collection sites, tire dump abatement, collection, and clean up of waste tires.

Subd. 2. [PRIORITIES FOR SPENDING.] The agency shall apply the following criteria 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. 3. [CONTRACTS WITH COUNTIES.] The agency may contract with counties for the abatement of waste tire nuisances.

Sec. 98. [115A.914] [RULES; COUNTY PLANNING; ORDINANCES.]

Subdivision 1. [AGENCY RULES.] The agency shall adopt rules for administration of waste tire collector and processor permits, waste tire nuisance abatement, and waste tire collection.

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. 99. 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 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. The program shall be evaluated by the alternative energy technical activity.

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. 100. 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 EF-

FACTS 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:*

(1) *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;*

(2) *projections of how the level and the composition of energy consumption would be affected by new programs or new policies;*

(3) *projections of energy costs to consumers, businesses, and government;*

(4) *identification and discussion of key social, economic, and environmental issues in energy;*

(5) *explanations of the department's current energy programs and studies; and*

(6) *recommendations.*

Sec. 101. Minnesota Statutes 1982, section 116J.19, subdivision 13, is amended to read:

Subd. 13. (BEGINNING JANUARY 1, 1978,) 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 or higher. *Beginning January 1, 1985, the energy efficiency ratio must be 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, 1982, 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 44 Federal Register 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. 102. [116J.261] [ALTERNATIVE ENERGY ENGINEERING ACTIVITY.]

Subdivision 1. [CREATION, GOALS.] To further the development of indigenous energy resources and energy conservation, the commissioner shall establish an alternative energy engineering activity. The activity shall facilitate the development of specific projects in the public and private sectors and provide a broad range of information, education, and engineering assistance services necessary to accelerate energy conservation and alternative energy development in the state.

Subd. 2. [DUTIES.] The alternative energy engineering activity shall:

(1) *provide on-site technical assistance for alternative energy and conservation projects;*

(2) *develop information materials and educational programs to meet the needs of engineers, technicians, developers, and others in the alternative energy field;*

(3) *conduct feasibility studies when the results of the studies would be of benefit to others working in the same area;*

(4) *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; and*

(5) *work with and use the services of Minnesota design professionals.*

Sec. 103. [116J.262] [OPTIMAL LOW-INCOME WEATHERIZATION.]

The commissioner shall contract with the Building Energy Research Center at the University of Minnesota for the purpose of determining optimal weatherization for low-income weatherization programs. The alternative energy engineering activity shall provide technical assistance.

Sec. 104. 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.) sections 8211 to 8222 and (SECTION) sections 8281 to 8284. (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, sections 8211 to 8222; through July 1, 1986 irrespective of any prior expiration date provided in United States Code, title 42, section 8216. The commissioner may 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, sections 8211 to 8222. The consumer services division and the attorney general may release information on consumer comments about the operation of the program to the commissioner.

Sec. 105. 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 that 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. Qualified energy improvements may offer municipalities opportunities for reducing energy costs or generating revenues from wastes. Municipal district heating systems and other qualified improvements 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 nonprofit corporation organized pursuant to the provisions of chapter 317 whose membership is limited to the mayor and governing body of the city in which the district heating system is located.*

(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 cost-effective 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 that meet the criteria specified in subdivision 8a and any rule adopted under that subdivision. Qualified energy improvements shall meet all environmental and permitting standards established by state and federal law.

Subd. 3. [ELIGIBILITY, DISTRICT HEATING.] The commissioner of finance, upon (REQUEST) recommendation of the (GOVERNOR) authority, may make loans to municipalities for the acquisition, construction, expansion, or modification of district heating systems. A loan shall be made only to a municipality that has demonstrated 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 under it; 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 obtaining 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 must 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 renewal 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 best meet the following goals:

(a) *to increase the proportion of a municipality's energy needs that are met by renewable or indigenous energy resources;*

(b) *to provide a cost reduction or revenue source for the municipality;*

(c) *to provide multiple benefits to residents within the municipality; and*

(d) *to demonstrate 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 must meet criteria established in rule by the commissioner of energy and economic development. Rules shall include criteria for analyzing the cost-effectiveness of improvements. Rules relating to qualified energy improvements involving a waste-to-energy facility must 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 under 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, franchise fees, special assessments, or to use any other money available to it from any other specified source, in amounts and at times that if collected in full will annually produce at least five percent in excess of the amount needed for all annual costs of the system, including annual repayment on state loans. A municipality may also pledge to levy an ad valorem tax to guarantee the payments under the loan agreement. For the purpose of repaying the loan, the municipality by resolution of its governing body may fix the rates and charges for district heating system 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. 106. [116J.381] [COMMUNITY ENERGY PROGRAM.]

Subdivision 1. [FINDINGS.] The legislature 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.

Subd. 2. [COMMUNITY ENERGY COUNCILS; 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 other interested parties.

Subd. 3. [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.

Subd. 4. [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 available resources.

Sec. 107. [116J.873] [ECONOMIC RECOVERY GRANTS.]

Subdivision 1. [ADMINISTRATION.] Economic recovery grants shall be made available to local communities and recognized Indian tribal governments in accordance with the rules adopted for economic development grants in the small cities community development block grant programs, except that all units of general purpose local government are eligible applicants for economic recovery grants. The commissioner of energy and economic development shall administer the economic recovery grant program as a part of the small cities development program.

Subd. 2. [ECONOMIC RECOVERY GRANT DEFINED.] *“Economic recovery grant” means an agreement between the state and an eligible recipient through which the state provides money to carry out specified programs, services, or activities designed to create new employment, maintain existing employment, increase the local tax base, or otherwise increase economic activity in a community.*

Subd. 3. [GRANT EVALUATION.] *The division of community development in the department shall accept, review, and evaluate applications for grants to local units of government made in accordance with rules adopted for economic development grants in the small cities development program. Applications recommended for funding, including recommended grant awards, shall be submitted by the division to the commissioner for approval.*

Subd. 4. [GRANT LIMITS.] *An economic recovery grant may not be approved for an amount over \$500,000. The division may recommend less funding than requested if, in the opinion of the division, the amount requested is more than is necessary to meet the applicant's needs. If the amount of the grant is reduced, the reasons for the reduction shall be given to the applicant. The portion of an economic recovery grant that exceeds \$100,000 must be repaid to the state when it is repaid to the local community or recognized Indian tribal government by the person or entity to which it was loaned by the local community or Indian tribal government. Money repaid to the state is appropriated to the commissioner of energy and economic development for the purpose of making additional economic recovery grants.*

Sec. 108. 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.*

Sec. 109. Minnesota Statutes 1982, section 116J.89, is amended by adding a subdivision to read:

Subd. 1d. [WASTE TIRE RECYCLING ACCOUNT.] *There is created within the economic development fund a waste tire recycling account for the purpose of making waste tire recycling loans and grants.*

Sec. 110. Minnesota Statutes 1983 Supplement, 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 from the waste tire recycling account 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. The commissioner shall adopt rules for administration of waste tire recycling grants and loans.

Sec. 111. Minnesota Statutes 1983 Supplement, section 116J.91, subdivision 4, is amended to read:

Subd. 4. It may adopt, amend, and repeal rules not inconsistent with the provisions of sections (116J.88) 116J.875 to 116J.91 as necessary to effectuate its purposes.

Sec. 112. Minnesota Statutes 1982, section 138.025, subdivision 11, is amended to read:

Subd. 11. [BIRCH COULEE BATTLEFIELD STATE HISTORIC SITE.] In accordance with the terms and provisions of this section and the laws relating to Birch Coulee *battlefield state (PARK) historic site*, the Minnesota historical society shall administer and control the historic site comprising the Birch Coulee state (PARK) *historic site* in Renville county and described as follows:

The NE 1/4 of the SE 1/4, Section 19, and *part of* the NW 1/4 of the SW 1/4, Section 20, Township 113, North, Range 34 West, fifth principal meridian, Renville county, Minnesota and containing (80) .55 acres.

(BIRCH COULEE STATE PARK IS RENAMED BIRCH COULEE BATTLEFIELD STATE HISTORIC SITE.)

Sec. 113. Minnesota Statutes 1982, section 144.414, is amended to read:

144.414 [PROHIBITIONS.]

No person shall smoke in a public place or at a public meeting except in designated smoking areas. This prohibition does not apply in cases in which an entire room or hall is used for a private social function and seating arrangements are under the control of the sponsor of the function and not of the proprietor or person in charge of the place. Furthermore, this prohibition shall not apply to factories, warehouses and similar places of

work not usually frequented by the general public, except that (THE DEPARTMENT OF LABOR AND INDUSTRY SHALL, IN CONSULTATION WITH) the state commissioner of health (,) shall establish rules to restrict or prohibit smoking in those places of work where the close proximity of workers or the inadequacy of ventilation causes smoke pollution detrimental to the health and comfort of nonsmoking employees.

Sec. 114. Minnesota Statutes 1982, section 158.07, is amended to read:

158.07 [QUARTERLY REPORT BY BOARD OF REGENTS; PAYMENT.]

The board of regents of the University of Minnesota shall file a verified quarterly report with the commissioner of finance containing an itemized statement of the expense charged against each patient received on certification of any board of county commissioners, together with the name of the county from which the patient was certified, *the amount of the expense charged against the patient that is to be paid by the county under section 158.04*, and a statement of any sums paid by the patient, or by any person in his behalf. *On the date that the board of regents files the quarterly report, it shall also submit requests for payment in amounts authorized in section 158.04 to each county from which expense amounts are due.*

Sec. 115. Minnesota Statutes 1982, section 158.08, is amended to read:

158.08 [EXPENSES PAID BY COUNTIES.]

(THE COMMISSIONER OF FINANCE SHALL AUDIT THE QUARTERLY REPORTS SUBMITTED BY THE BOARD OF REGENTS AND DRAW HIS DRAFT FOR THE PROPER AMOUNT AGAINST EACH COUNTY FROM WHICH EXPENSE CHARGES ARE DUE AND DELIVER IT TO THE TREASURER FOR COLLECTION. THE TREASURER SHALL NOTIFY THE AUDITOR OF EACH COUNTY AGAINST WHOM A DRAFT HAS BEEN ISSUED OF THE AMOUNT DUE.) Upon receipt of (SUCH NOTICE) the *invoice specified in section 158.07* a county auditor shall issue his warrant on the poor fund for the amount due, except that in any county now or hereafter caring for the poor under a county poor commission, the notice shall be given to the county poor commission, which shall issue its warrant on the poor fund of the county for the amount due. The warrant shall be delivered to the county treasurer, who shall, if funds are available, issue his check payable to the (STATE TREASURER) *University of Minnesota* for the amount of the warrant. If no funds are available in the poor fund for the payment of the warrant, it shall be registered. The check or registered warrant shall be mailed to the (STATE TREASURER) *University of Minnesota*. All payments

hereunder (SHALL BE CREDITED TO THE GENERAL FUND, AND) are appropriated to the university of Minnesota.

Sec. 116. Minnesota Statutes 1983 Supplement, section 179.70, subdivision 1, is amended to read:

Subdivision 1. A written contract or memorandum of contract containing the agreed upon terms and conditions of employment and such other matters as may be agreed upon by the employer and exclusive representative shall be executed by the parties. The duration of the contract shall be negotiable except in no event shall contracts be for a term exceeding three years. Any contract between employer school board and an exclusive representative of teachers shall in every instance be for a term of two years beginning on July 1 of each odd-numbered year. For contracts effective July 1, 1979 or thereafter, the written contract executed by an employer school board and an exclusive representative of teachers shall contain the teachers' compensation including fringe benefits for the entire two-year term and shall not contain a wage reopening clause or any other provision for the renegotiation of the teachers' compensation for the second year of the contract. All contracts shall include a grievance procedure which shall provide compulsory binding arbitration of grievances including all disciplinary actions. *Notwithstanding any home rule charter to the contrary, after the probationary period of employment, any disciplinary action, other than the termination of a teacher contract or the discharge of a teacher under section 125.12 or 125.17, is subject to the grievance procedure and compulsory binding arbitration.* In the event that the parties cannot reach agreement on the grievance procedure, they shall be subject to the grievance procedure promulgated by the director pursuant to section 179.71, subdivision 5, clause (h). Employees covered by civil service systems created pursuant to chapters 43A, 44, 375, 387, 419 or 420, or by provision of a home rule charter pursuant to chapter 410, or by Laws 1941, chapter 423, may pursue a redress of their grievances through the grievance procedure established pursuant to this section. When the resolution of a grievance is also within the jurisdiction of appeals boards or appeals procedures created by chapters 43A, 44, 375, 387, 419 or 420, or by provision of a home rule charter pursuant to chapter 410, or by Laws 1941, chapter 423, the aggrieved employee shall have the option of pursuing redress through the grievance procedure or the civil service appeals procedure, but once a written grievance or appeal has been properly filed or submitted by the employee or on the employee's behalf with his consent the employee's right to pursue redress in the alternative manner is terminated. This section does not require employers or employee organizations to negotiate on matters other than terms and conditions of employment as defined in section 179.63, subdivision 18.

Sec. 117. Minnesota Statutes 1982, section 179.741, subdivision 2, is amended to read:

Subd. 2. [STATE EMPLOYEE SEVERANCE.] Each of the following groups of employees (SHALL HAVE) *has* the right, as specified in this subdivision, to separate from the general professional, health treatment or general supervisory units provided for in subdivision 1: attorneys, physicians, professional employees of the higher education coordinating board who are compensated pursuant to section 43A.18, subdivision 4, state patrol-supervisors, *regional enforcement officers employed by the department of natural resources*, and criminal apprehension investigative-supervisors. This right shall be exercised by petition (DURING THE PERIOD COMMENCING ON APRIL 25, 1980 AND CONCLUDING 30 DAYS AFTER THAT DATE OR, AFTER JANUARY 1, 1981,) during the 60 day period commencing 270 days prior to the termination of a contract covering the units. If one of these groups of employees exercises the right to separate from the units they shall have no right to meet and negotiate, but shall retain the right to meet and confer with the commissioner of employee relations and with the appropriate appointing authority on any matter of concern to them. The manner of exercise of the right to separate shall be as follows: An employee organization or group of employees claiming that a majority of any one of these groups of employees on a state-wide basis wish to separate from their units may petition the director for an election during the petitioning period. If the petition is supported by a showing of at least 30 percent support for the petitioner from the employees, the director shall hold an election to ascertain the wishes of the majority with respect to the issue of remaining within or severing from the units provided in subdivision 1. This election shall be conducted within 30 days of the close of the petition period. If a majority of votes cast endorse severance from the unit in favor of separate meet and confer status for any one of these groups of employees, the director shall certify that result. This election shall, where not inconsistent with other provisions of this section, be governed by section 179.67. If a group of employees elects to sever they may rejoin that unit by following the same procedures specified above for severance, but may only do so during the periods provided for severance.

Sec. 118. Minnesota Statutes 1983 Supplement, section 179.7411, is amended to read:

179.7411 [LIMITATION ON THE CONTRACTING-OUT OF SERVICES PROVIDED BY MEMBERS OF A STATE OF MINNESOTA OR UNIVERSITY OF MINNESOTA BARGAINING UNIT.]

Any contract entered into after March 23, 1982 by the state of Minnesota or the University of Minnesota involving services, any part of which, in the absence of the contract, would be performed by members of a unit provided in section 179.741, subdivision 1 or 3, shall be subject to section 16.07 and shall provide for the preferential employment by such a party of mem-

bers of that unit whose employment with the state of Minnesota or the University of Minnesota is terminated as a result of that contract.

Contracts entered into by the state of Minnesota for the purpose of providing court reporter services or transcription of the record of a hearing which was recorded by means of an audio magnetic recording device shall be subject to section 16.098 and the preferential employment provisions enumerated in this section. Any court reporter seeking a contract pursuant to the preferential employment provisions of this section shall be given preference when the services are needed only if that court reporter's charges for the services requested are no greater than the (AVERAGE OF THE) charges made for the identical services by other court reporters in the same locality who are also under contract with the state for those services.

Sec. 119. Minnesota Statutes 1983 Supplement, section 180.03, subdivision 2, is amended to read:

Subd. 2. Every person, firm or corporation that is or has been engaged in the business of mining or removing iron ore, taconite, semitaconite or other minerals except sand, crushed rock and gravel by the open pit method in any county which has appointed an inspector of mines pursuant to section 180.01 shall erect two inch by four inch mesh fencing along the outside perimeter of the excavation, open pit, or shaft of any mine in which mining operations have ceased for a period of six consecutive months or longer. The top and bottom wire shall not be less than 9 gauge and the filler wire shall not be less than 11 gauge. The fencing shall be not less than five feet in height with two strands of barbed wire six inches apart affixed to the top of the fence. The fence posts shall be no more than ten feet apart. In the case of open pit mines in which mining operations cease after November 1, 1979, and before March 1, 1980, the fencing shall be erected as soon as possible after March 1, 1980. Where mining operations cease on or after March 1, 1980, the fencing shall be erected forthwith. In the case of open pit mines in which mining operations had ceased for a period of six consecutive months or longer before November 1, 1979, and not resumed, the fencing shall be erected within (FIVE) *seven* years after November 1, 1979. Any fencing required by an inspector of mines pursuant to subdivision 3 or other applicable law shall meet the standards of this section as a minimum. This subdivision does not apply to any excavation, open pit, or shaft, or any portion thereof, exempted from its application by the commissioner of natural resources pursuant to laws relating to mineland reclamation or exempted from its application by the county mine inspector pursuant to subdivision 4.

Sec. 120. [190.32] [FEDERAL REIMBURSEMENT RECEIPTS.]

The department of military affairs may deposit federal reimbursement receipts into the general fund account, maintenance of military training facilities. These receipts are for services, supplies, and materials initially purchased by the Camp Ripley maintenance account.

Sec. 121. Minnesota Statutes 1983 Supplement, section 298.296, subdivision 1, is amended to read:

Subdivision 1. [PROJECT APPROVAL.] The board shall by August 1 of each year prepare a list of projects to be funded from the northeast Minnesota economic protection trust with necessary supporting information including description of the projects, plans, and cost estimates. These projects shall be consistent with the priorities established in section 298.292 and shall not be approved by the board unless it finds that:

(a) the project will materially assist, directly or indirectly, the creation of additional long-term employment opportunities;

(b) the prospective benefits of the expenditure exceed the anticipated costs; and

(c) in the case of assistance to private enterprise, the project will serve a sound business purpose.

To be proposed by the board, a project must be approved by at least eight iron range resources and rehabilitation board members and the commissioner of iron range resources and rehabilitation. The list of projects shall be submitted to the legislative advisory commission for its review. The list with the recommendation of the legislative advisory commission shall be submitted to the governor, who shall, by November 15 of each year, approve or disapprove, or return for further consideration, each project. The money for a project may be expended only upon approval of the project by the governor.

The board may submit supplemental projects for approval at any time. *Supplemental projects must be submitted to the members of the legislative advisory commission for their review and recommendations of further review. If a recommendation is not provided within ten days, no further review by the legislative advisory commission is required, and the governor shall approve or disapprove each project or return it for further consideration. If the recommendation by any member is for further review the governor shall submit the request to the legislative advisory commission for its review and recommendation. Failure or refusal of the commission to make a recommendation promptly is a negative recommendation.*

Sec. 122. 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 may adopt temporary rules, which may remain in effect for 360 days.*

Sec. 123. Minnesota Statutes 1982, section 329.099, is amended to read:

329.099 [DEFINITION.]

The term "transient merchant" includes any person, individual, copartnership, and corporation, both as principal and agent, who engage in, do, or transact any temporary and transient business in this state, either in one locality, or in traveling from place to place in this state, selling goods, wares, and merchandise; and who, for the purpose of carrying on such business, hire, lease, occupy, or use a building, structure, vacant lot, or railroad car for the exhibition and sale of such goods, wares, and merchandise. *The term "transient merchant" does not include a seller or exhibitor in a firearms collector show involving two or more sellers or exhibitors.*

Sec. 124. Minnesota Statutes 1983 Supplement, section 352D.02, subdivision 1, is amended to read:

Subdivision 1. [(COVERED EMPLOYEES) COVERAGE.] The following employees, if they are in the unclassified service of the state and are eligible for coverage under the Minnesota state retirement system, shall participate in the unclassified program unless an employee gives notice to the executive director of the state retirement system within one year following the commencement of employment in the unclassified service that the employee desires coverage under the regular employee plan. For the purposes of this chapter, an employee who does not file notice with the executive director shall be deemed to have exercised the option to participate in the unclassified plan.

(1) Any employee in the office of the governor, lieutenant governor, secretary of state, state auditor, state treasurer, attorney general or the state board of investment,

(2) The head of any department, division, or agency created by statute in the unclassified service, an acting department head

subsequently appointed to the position, or any employee enumerated in sections 15A.081, subdivision 1 or 15A.083, subdivision 4,

(3) Any permanent, full-time unclassified employee of the legislature or any commission or agency of the legislature or a temporary legislative employee having shares in the supplemental retirement fund as a result of former employment covered by this chapter, whether or not eligible for coverage under the Minnesota state retirement system,

(4) Any person employed in a position established pursuant to section 43A.08, subdivision 1, clause (c), or subdivision 1a or in a position authorized under a statute creating or establishing a department or agency of the state, which is at the deputy or assistant head of department or agency or director level,

(5) The chairman, chief administrator, and not to exceed nine positions at the division director or administrative deputy level of the metropolitan waste control commission as designated by the commission, and the chairman, executive director, and not to exceed nine positions at the division director or administrative deputy level of the metropolitan council as designated by the council; provided that upon initial designation of all positions provided for in this clause, no further designations or redesignations shall be made without approval of the board of directors of the Minnesota state retirement system,

(6) The executive director, associate executive director, and not to exceed nine positions of the higher education coordinating board in the unclassified service, as designated by the higher education coordinating board; provided that upon initial designation of all positions provided for in this clause, no further designations or redesignations shall be made without approval of the board of directors of the Minnesota state retirement system,

(7) The clerk of the appellate courts appointed pursuant to Article VI, Section 2, of the Constitution of the state of Minnesota,

(8) The chief executive officers of correctional facilities operated by the department of corrections and of hospitals and nursing homes operated by the department of welfare, (AND)

(9) Any employee whose principal employment is at the state ceremonial house, *and*

(10) *Any employee of the world trade center board.*

Sec. 125. Minnesota Statutes 1982, section 352E.02, is amended to read:

352E.02 [PEACE OFFICERS BENEFIT FUND.]

There is hereby created in the state treasury an account to be known as peace officers benefit fund. Funds in the peace officers benefit fund shall consist of moneys appropriated to that fund. *The administrator of the fund is the commissioner of labor and industry, who shall follow the procedures specified in section 176.541, subdivisions 2, 3, and 4.*

Sec. 126. Minnesota Statutes 1982, section 352E.04, is amended to read:

352E.04 [DISBURSEMENTS.]

Upon certification to the governor by the administrator of (ANY STATE OR GOVERNMENTAL SUBDIVISION EMPLOYING PEACE OFFICERS) *the fund* that a peace officer employed by (THAT) a state or governmental subdivision within this state has been killed in the line of duty, leaving a spouse or one or more eligible dependents, the commissioner of finance shall, subject to the approval of the workers' compensation court of appeals, pay \$50,000 as follows:

- (a) If there is no dependent child, to the spouse;
- (b) If there is no spouse, to the dependent child or children in equal shares;
- (c) If there are both a spouse and one or more dependent children, one-half to the spouse and one-half to the child or children, in equal shares;
- (d) If there is no surviving spouse or dependent child or children, to the parent or parents dependent for support on the decedent, in equal shares;
- (e) If there is no surviving spouse or dependent child, children or parent, then there shall be no payment made from the peace officers benefit fund.

"Killed in the line of duty" does not include deaths from natural causes or deaths that occur during employment for a private employer.

Sec. 127. Minnesota Statutes 1982, section 398.09, is amended to read:

398.09 [SPECIFIC POWERS.]

Park district boards in addition to the foregoing general powers shall have these specific powers:

(a) The power to regulate by ordinance the use of the waters of any lake lying wholly within a park established under this chapter and the use of any lake shore which is within a park established under this chapter and the waterfront immediately abutting such lake shore for not to exceed 300 feet therefrom, by all persons, including persons boating, swimming, fishing, skating or otherwise, in, upon or about said lake, lake shore and abutting waterfront, subject to regulation by the state of Minnesota.

(b) The power to acquire lands either within or without the park district for conversion into forest reserves and for the conservation of the natural resources of the state, including streams, lakes, submerged lands and swamplands, and to these ends may create parks, parkways, forest reservations and other reservations and afforest, develop, improve, protect and promote the use of the same in such manner as is conducive to the general welfare. These lands may be acquired by the board, on behalf of the district, by gift or devise, by purchase or by condemnation. In furtherance of the use and enjoyment of the lands controlled by it, the board may accept donations of money or other property, or may act as trustee of land, money or other property and use and administer the same as stipulated by the donor, or as provided in the trust agreement. The terms of each such donation or trust shall first be approved by the district court before acceptance by the board. If the park district includes all or part of more than one court district, approval shall be by the district court of the court district having the largest area within the park district. In case of condemnation the proceedings are to be instituted in the name of the district and conducted in the manner provided in chapter 430 and acts now in effect and hereafter adopted amendatory thereof and supplemental thereto. Either the fee or any lesser interest may be acquired as the board deems advisable. All awards not set aside as therein provided shall be a charge upon the district for which its credit shall be pledged. The duties specified to be performed in said sections by the city council, the city clerk and the city engineer, respectively, shall be performed by the commissioners, the secretary and the superintendent of the district. Appeals to the district court shall be taken to the district court of the county in which the land lies. The notices required to be published shall be published in every case in a newspaper of general circulation published in the county or counties wherein the land lies. All reports and papers required by said sections to be filed with the city clerk shall be filed with the secretary of the district. Unless a lesser estate be designated, an absolute estate in fee simple, unqualified in any way whatsoever, shall vest in the district in every case of taking by the exercise of the power of eminent domain, and such estate shall not be limited or qualified in any way by construction. Nothing herein contained shall authorize the board to:

1. Acquire real estate by purchase or condemnation which is located within the boundaries of an incorporated statutory city

or city unless the governing body of such statutory city or city shall have consented thereto by resolution duly adopted, or

2. Acquire real estate by condemnation which is located outside the park district unless the board of county commissioners of the county in which such property is located has consented thereto by resolution duly adopted.

(c) The power, if the board finds that any lands which it has acquired are not necessary for the purposes for which acquired, to dispose of such lands upon such terms as are advisable, including the power to transfer such lands to other public corporations. Where lands which were acquired by condemnation less than 20 years before are to be sold to private parties, the former owners, or their heirs, successors or assigns, shall be notified in writing of the board's intent to dispose of the properties and shall be given 20 days to purchase the property taken from them at such price as the board shall deem fair compensation to the district for such property. The board may lease any of its lands or permit their use for purposes consistent with the purposes for which the lands were acquired upon such terms as are advisable. No such lands shall be sold without the approval of the district court of the county in which the lands are situated.

(d) The power to fix, alter, charge and collect fees, tolls and charges for the use of facilities of the park district, for services rendered by, or for any commodities furnished by, or for licenses issued by, the board pursuant to ordinances authorized hereunder. All fines collected for any violation of a board's ordinance shall be paid into the treasury of such park district board.

(e) The power to borrow, make and issue negotiable bonds, notes and other evidences of indebtedness, subject to the provisions of sections 398.16 and 398.17, and to pledge its full faith, credit and taxing power to the payment thereof, and/or to secure the payment of such obligations or any part thereof by mortgage, lien, pledge, deed of trust otherwise, on all or any of its property, contracts, franchises or revenues and to make such agreements with the purchasers or holders of such notes, bonds or other evidences of indebtedness or with others in connection with the same, whether issued or to be issued.

(f) The power to cooperate with or borrow from any governmental organization, state or federal, or from any agency of the state or federal government for any purpose within the scope of the authority of this corporation.

(g) The power to cooperate with any public or municipal corporation, with the counties and with any private or public organization engaged in conservation, recreational activities, protection of the public health and safety, prevention of water pollution, sanitation, and/or mosquito abatement for any constructive purpose, and the power, upon request, to assume con-

trol of all or a portion of any existing parks or park lands owned by any county government or municipal corporation in the park district; such control shall be assumed only at the request of and by agreement with the public authority in control of such parks or park lands. Thereupon such parks or park lands may be developed, improved, protected and operated as a park as in case of lands otherwise acquired by the board. Such acquisition or assumption of control or operation of a municipal park system by a park district shall in no way impair the authority and power of such municipality to levy and collect taxes for park, playground and recreational purposes, all or part of such tax funds to be transferred to the park district for such uses as may be agreed upon between the district and the municipality.

(h) The power to designate employees as police officers within the parks under the jurisdiction and control of the board, and employees so designated may exercise all the powers of police officers within the park lands under the jurisdiction and control of the board. Before exercising these powers, each such employee shall take an oath and give a bond to the state in such sum as the board prescribes for the proper performance of his duties in such respect. The board may contract with municipalities or with the county or counties for the policing of park properties.

(i) *The power, upon a four-fifths vote of the board, to enter into an agreement under section 471.59 with any political subdivision, governmental unit, or agency, including an elected park and recreation board in a city of the first class, to expend public money, including bond proceeds, in its possession for any metropolitan regional park purposes, including transferring money in its possession as a grant to other political subdivisions, governmental units, or agencies, including an elected park and recreation board in a city of the first class.*

Sec. 128. Minnesota Statutes 1982, section 462A.05, subdivision 20, is amended to read:

Subd. 20. The agency may make grants solely to non-profit sponsors, as defined by the agency, for residential housing to be used to provide temporary (SHELTER) housing to low and moderate income persons and families having an immediate need for temporary (SHELTER) housing as a result of natural disaster, resettlement, condemnation, displacement, lack of habitable housing or other cause defined by the agency. Grants pursuant to this subdivision shall not be used for residential care facilities or for facilities that provide housing available for occupancy on less than a 24-hour continuous basis. To the extent possible, a nonprofit sponsor shall combine the grant with other funds obtained from public and private sources. In making grants, the agency shall determine the circumstances under which and the terms and conditions under which all or any portion thereof will be repaid and the appropriate security should repayment be required.

Sec. 129. Minnesota Statutes 1982, section 359.01, is amended to read:

359.01 [COMMISSION.]

The governor may appoint and commission as notaries public, by and with the advice and consent of the senate, as many citizens of this state, over the age of 18 years, resident in the county for which appointed, as he deems necessary. The fee for each commission shall not exceed \$10 (, AND SHALL BE PAID TO THE GOVERNOR'S PRIVATE SECRETARY).

Sec. 130. Minnesota Statutes 1983 Supplement, section 462A.07, subdivision 15, is amended to read:

Subd. 15. It may engage in housing programs for low and moderate income American Indians as that term is defined in section 254A.02, subdivision 11, residing in the metropolitan area defined in section 473.121, subdivision 2, and cities with a population greater than 50,000 persons. The programs shall demonstrate innovative methods of providing housing for urban Indians, may involve the construction, purchase, and rehabilitation of residential housing, and may be administered through any other provision of this chapter. To the extent possible, the programs shall combine appropriated money with other money from both public and private sources, except that interest earned on the portion of an appropriation to be expended for Indian housing programs in the city of Duluth does not have to be combined with money from other sources. *Effective June 30, 1985, all money allocated by the agency under this subdivision to programs for urban Indian housing that are not subject to active contracts shall be reallocated by the agency to programs to fulfill the purposes of this subdivision.* The agency shall consult with the advisory council on urban Indians created pursuant to section 3.922, subdivision 8, in the development of programs pursuant to this subdivision.

Sec. 131. Minnesota Statutes 1982, section 484.545, subdivision 1, is amended to read:

Subdivision 1. The district judges regularly assigned to hold court in each judicial district except for the second, fourth, and tenth judicial districts may by orders filed with the clerk of court and county auditor of each county in the district appoint a competent law clerk for every two district court judges of the judicial district. The district judges regularly assigned to hold court in the *first and tenth* judicial (DISTRICT) districts may by orders filed with the clerk of court and county auditor of each county in the district appoint a competent law clerk for each district court judge of the district. (IN ADDITION, THE DAKOTA COUNTY BOARD OF COMMISSIONERS MAY AUTHORIZE THE DISTRICT JUDGES REGULARLY ASSIGNED TO HOLD COURT IN THE FIRST JUDICIAL DIS-

TRICT TO APPOINT THREE COMPETENT LAW CLERKS,
WHOSE SALARIES SHALL BE PAID BY THE COUNTY.)

Sec. 132. Minnesota Statutes 1983 Supplement, section 486.-06, is amended to read:

486.06 [CHARGE FOR TRANSCRIPT.]

(SUBDIVISION 1. [FEE.]) In addition to the salary specified in section 486.05, the court reporter may charge for a transcript of his or her record ordered by any person other than the judge (35) 50 cents per original folio thereof and (SEVEN AND ONE-HALF) ten cents per folio for each manifold or other copy thereof when so ordered that it can be made with the original transcript.

(SUBD. 2. [ANNUAL FEE CHANGE AUTHORIZED.] BEGINNING AUGUST 1, 1983, AND ANNUALLY AFTER THAT, THE CHIEF JUDGE OF THE JUDICIAL DISTRICT MAY BY ORDER ESTABLISH NEW TRANSCRIPT FEE CEILINGS PER FOLIO.)

Sec. 133. [494.01] [COMMUNITY DISPUTE RESOLUTION PROGRAM.]

Subdivision 1. [DEFINITION.] For the purposes of sections 133 through 136 "dispute resolution" means a process voluntarily entered by parties in disagreement using mediation or arbitration to reconcile the parties' differences.

Subd. 2. [ESTABLISHMENT; ADMINISTRATION.] The dispute resolution program shall be established and administered by the state court administrator's office.

Subd. 3. [GUIDELINES.] The state court administrator shall develop guidelines for use by community dispute resolution programs and training programs for mediators and arbitrators for those community dispute resolution programs. The guidelines shall provide a method for insuring that participation in dispute resolution is voluntary and shall include procedures for case processing and program certification criteria which must be met in order to receive court referrals. The guidelines shall include standards for training mediators and arbitrators to recognize matters involving violence against a person. 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. The guidelines shall not constitute a rule nor shall they be a substantive or procedural law nor shall they take effect until the guidelines are enacted by the legislature. This shall not limit the existing authority of the state court administrator.

Subd. 4. [REPORTS.] *The state court administrator shall compile statistical data regarding community dispute resolution programs, including 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 pertinent information.*

Sec. 134. [494.02] [CONFIDENTIALITY OF COMMUNICATIONS.]

Any communication relating to the subject matter of the dispute 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. 135. [494.03] [EXCLUSIONS.]

The guidelines shall exclude:

(1) *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;*

(2) *any matter involving a person who has been adjudicated incompetent or relating to guardianship, conservatorship, or civil commitment;*

(3) *any matter involving neglect or dependency, or involving termination of parental rights arising under sections 260.221 to 260.245; and*

(4) *any matter arising under section 626.557 or sections 144.651 to 144.652, or any dispute subject to chapters 518, 518A, 518B, and 518C, whether or not an action is pending. This shall not restrict the present authority of the court or departments of the court from accepting for resolution a dispute arising under chapters 518, 518A, and 518C, or from referring disputes arising under chapters 518, and 518A to for-profit mediation.*

Sec. 136. [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 the dispute resolution program established pursuant to this act and shall make recommendations for any changes that may be deemed desirable in the dispute resolution program.

Sec. 137. Laws 1983, chapter 290, section 172, is amended to read:

Sec. 172. [APPROPRIATIONS; COMPLEMENT INCREASE.]

Subdivision 1. [DEPARTMENT OF LABOR AND INDUSTRY.] (a) There is appropriated to the department of labor and industry for the fiscal years ending June 30 of the year indicated from the general fund in the state treasury:

(\$1,947,500)

\$2,142,400

\$1,907,500

The approved complement of the department of labor and industry is increased by 90 of which two shall be federally funded and 19 shall be from the special compensation fund. The increased complement shall be allocated as follows:

- (1) workers' compensation administration, 1;
- (2) records and compliance, 15;
- (3) rehabilitation service, 20;
- (4) legal services, 1;
- (5) settlement and docket, 3;
- (6) mediation and arbitration, 6;
- (7) research and education, 8;
- (8) information management service, 6;
- (9) state employee fund, 6;
- (10) general support, 8; and
- (11) special compensation fund, 19.

The appropriation provided by this clause (a) is for the purpose of paying for the increased general fund complement and expenses related to their duties except that \$ (100,000) 60,000 shall be used for the recodification of chapter 176 or related purposes, including but not limited to the preparation of indices, development and preparation of manuals or other educational materials designed to explain the workers' compensation law to employees, employers, insurers and other interested parties. This \$60,000 remains available until June 30, 1985.

The authorized complement for the records and compliance section shall be reduced by four positions by June 30, 1985.

(b) There is appropriated to the department of labor and industry for the fiscal years ending June 30 of the year indicated from the general fund in the state treasury:

1984	1985
\$437,500	\$875,000

The appropriation provided by this clause (b) is for the purpose of paying the state's premium to the workers' compensation reinsurance association. The commissioner of finance shall transfer to the general fund from each federal fund, dedicated or special revenue fund, or revolving fund the proportion of premium costs attributable to that fund as calculated pursuant to section 10. The amounts necessary for this transfer are appropriated from the various funds in the state treasury from which salaries are paid.

(c) There is appropriated to the department of labor and industry for the fiscal years ending June 30 of the year indicated from the special compensation fund in the state treasury:

1984	1985
\$614,000	\$646,400

The funds appropriated by this clause (c) are to pay the expenses of the increased complement provided for the fund by clause (a) and expenses related to their duties and to reimburse the general fund for legal services performed on behalf of the fund by the attorney general.

Sec. 138. Laws 1983, chapter 301, section 38, is amended to read:

Sec. 38. INDIAN AFFAIRS		
COUNCIL	205,100	208,900

Approved Complement—7

General—6

Federal—1

Ten percent of the funding in the second year, or \$20,900, shall be available for allotment upon demonstration of dollar for dollar match with nonstate contributions.

Contributions received in the first year may be counted as match for the second year.

Those dollars, up to the \$20,900, not receiving a match shall cancel to the general fund. The agency shall report to the senate finance committee and house of representatives appropriations committee by March 1, 1984 its accomplishments for the first six months of the biennium and its work program, including its goals, objectives, timelines, and structure, for the remainder of the biennium. (THE APPROPRIATION FOR THE SECOND YEAR IS AVAILABLE FOR EXPENDITURE ONLY WITH THE APPROVAL OF THE GOVERNOR AFTER CONSULTATION WITH THE LEGISLATIVE ADVISORY COMMISSION, PURSUANT TO MINNESOTA STATUTES, SECTION 3.30.)

Sec. 139. Laws 1983, chapter 301, section 39, is amended to read:

Sec. 39. COUNCIL ON AFFAIRS
OF SPANISH-SPEAKING PEOPLE 104,600 105,500

Approved Complement—3

Ten percent of the funding in the second year, or \$10,600, shall be available for allotment upon demonstration of dollar for dollar match with nonstate contributions.

Contributions received in the first year may be counted as match for the second year.

Those dollars, up to the \$10,600, not receiving a nonstate match shall cancel to the general fund. The agency shall report to the senate finance committee and house of representatives appropriations committee by March 1, 1984 its accomplishments for the first six months of the biennium and its work program, including its goals, objectives, timelines, and structure, for the remainder of the biennium. (THE APPROPRIATION FOR THE SECOND YEAR IS AVAILABLE FOR EXPENDITURE ONLY WITH THE APPROVAL OF THE GOVERNOR AFTER CONSULTATION WITH THE

LEGISLATIVE ADVISORY COMMISSION,
PURSUANT TO MINNESOTA STAT-
UTES, SECTION 3.30.)

Sec. 140. Laws 1983, chapter 301, section 40, is amended to read:

Sec. 40. COUNCIL ON BLACK
MINNESOTANS 104,400 105,600

Approved Complement—3.5

Ten percent of the funding in the second year, or \$10,600, shall be available for allotment upon demonstration of dollar for dollar match with nonstate contributions.

Contributions received in the first year may be counted as match for the second year.

Those dollars, up to the \$10,600, not receiving a nonstate match shall cancel to the general fund. The agency shall report to the senate finance committee and house of representatives appropriations committee by March 1, 1984 its accomplishments for the first six months of the biennium and its work program, including its goals, objectives, timelines, and structure, for the remainder of the biennium. (THE APPROPRIATION FOR THE SECOND YEAR IS AVAILABLE FOR EXPENDITURE ONLY WITH THE APPROVAL OF THE GOVERNOR AFTER CONSULTATION WITH THE LEGISLATIVE ADVISORY COMMISSION, PURSUANT TO MINNESOTA STATUTES, SECTION 3.30.)

Sec. 141. Laws 1983, chapter 301, section 41, is amended to read:

Sec. 41. COUNCIL FOR THE
HANDICAPPED 330,700 336,700

Approved Complement—10

Ten percent of the funding in the second year, or \$33,700, shall be available for allotment upon demonstration of dollar for dollar match with nonstate contributions.

Contributions received in the first year may be counted as match for the second year.

Those dollars, up to the \$33,700, not receiving a nonstate match shall cancel to the general fund. The agency shall report to the senate finance committee and house of representatives appropriations committee by March 1, 1984 its accomplishments for the first six months of the biennium and its work program, including its goals, objectives, timelines, and structure, for the remainder of the biennium. (THE APPROPRIATION FOR THE SECOND YEAR IS AVAILABLE FOR EXPENDITURE ONLY WITH THE APPROVAL OF THE GOVERNOR AFTER CONSULTATION WITH THE LEGISLATIVE ADVISORY COMMISSION, PURSUANT TO MINNESOTA STATUTES, SECTION 3.30.)

Sec. 142. Laws 1983, chapter 301, section 42, is amended to read:

Sec. 42. HUMAN RIGHTS

General Operations and Management . . . 1,363,400 1,440,900

Approved Complement—59

General—43

Federal—16

The commissioner of administration shall assign a transition team to work with the commissioner of human rights in reviewing or developing charge intake and charge processing policies. Specific action plans shall be developed for the purpose of improving the administration and enforcement of the Human Rights Act. The commissioner of administration shall report to the legislature by February 1, 1984, on the action plans developed and an analysis of the resources needed to accomplish the statutory responsibilities of the commissioner of human rights. The commissioner of administration shall consult with the attorney general to ensure that the new enforcement alternatives being implemented are consistent with the objectives and requirements of Minnesota Statutes, chapter 363.

The amounts that may be expended from this appropriation for each program are as follows:

Enforcement

\$ 900,400 \$ 979,300

The commissioner of human rights may assign priority to the investigation of charges based on likelihood of early settlement, potential for widespread impact on discriminatory behavior, or other criteria as established by the commissioner by rule adopted pursuant to Minnesota Statutes, chapter 14. By February 1, 1984, the commissioner shall report to the legislature on the charge-processing policies that have been adopted.

Planning, Public Information and Administrative Services

\$ 463,000 \$ 461,600

The commissioner of human rights with the approval of the commissioner of finance may transfer unencumbered balances not specified for a particular purpose among the programs specified in this section. Transfers shall be reported immediately to the committee on finance of the senate and the committee on appropriations of the house of representatives.

The agency shall report to the senate finance committee and house of representatives appropriations committee by March 1, 1984 its accomplishments for the first six months of the biennium and its work program, including its goals, objectives, timelines, and structure, for the remainder of the biennium. (THE APPROPRIATION FOR THE SECOND YEAR IS AVAILABLE FOR EXPENDITURE ONLY WITH THE APPROVAL OF THE GOVERNOR AFTER CONSULTATION WITH THE LEGISLATIVE ADVISORY COMMISSION, PURSUANT TO MINNESOTA STATUTES, SECTION 3.30. IF APPROVAL IS OBTAINED, THE COMPLEMENT OF THE DEPARTMENT OF HUMAN RIGHTS IS INCREASED BY SIX POSITIONS IN FISCAL YEAR 1985.)

Sec. 143. [AVAILABILITY OF APPROPRIATION.]

The appropriation to the commissioner of finance of \$600,000 in fiscal year 1985 made by Laws 1983, chapter 301, section 53, for reimbursement of excess public employee pension contributions as provided by that act and notwithstanding anything to the contrary in that act is available for expenditure in both fiscal years 1984 and 1985.

Sec. 144. [POLICE AND FIRE AID.]

Notwithstanding any law to the contrary, payments to the general fund required of local police and salaried firefighters relief associations by Laws 1982, Third Special Session, chapter 1, article 2, section 2, subdivision 1, paragraph (v), clause (6) may be retained by the local relief associations.

Sec. 145. [REALLOCATION OF APPROPRIATION BALANCE.]

The unexpended balance of \$8,480,000 remaining in the appropriation to the commissioner of finance for pension fund reimbursements made by Laws 1982, Third Special Session, chapter 1, article II, section 2, subdivision 1, paragraph (v), clause (9), as amended by Laws 1983, chapter 301, section 224, is reallocated for expenditure in the following manner:

(a) *\$317,000 for refund to local police and salaried firefighters relief associations of payments made by the associations pursuant to Laws 1983, Third Special Session, chapter 1, article II, section 2, subdivision 1.*

(b) *\$6,163,000 for the fiscal year ending June 30, 1984, for apportionment to the retirement associations governed by Minnesota Statutes, chapters 354 and 354A. Apportionment shall be made on the basis of each association's covered payroll in basic and coordinated retirement plans for the fiscal year ending June 30, 1983.*

(c) *\$2,000,000 shall cancel back to the general fund.*

Sec. 146. [AGRICULTURAL INTERPRETIVE CENTER.]

(a) *Notwithstanding Laws 1983, chapter 344, section 13, interest on funds not required for payments to the Agricultural Interpretive Center and required to be invested by the state board of investment, as well as payments back to the state of Minnesota by the center, shall be credited to the state bond fund and not to the general fund.*

(b) *Notwithstanding any contract with the operator of the Agricultural Interpretive Center, the operator need not repay*

the sum of \$1,500,000 plus interest, and need not make debt service payments to the state, except as provided in this section. The operator of the Agricultural Interpretive Center shall repay \$600,000 to the state over a period of not more than ten years from the date the last payment from the appropriation in Laws 1983, chapter 344, section 13 was made to the operator. Repayments shall be made in equal installments deposited in the state treasury and credited to the state bond fund before November 1 each year.

Sec. 147. [RATIFICATION.]

Subdivision 1. The labor agreement between the state of Minnesota and the American federation of state, county, and municipal employees, council 6, approved by the legislative commission on employee relations on July 22, 1983, is ratified.

Subd. 2. The labor agreement between the state of Minnesota and the Minnesota association of professional employees, approved by the legislative commission on employee relations on August 22, 1983, is ratified.

Subd. 3. The labor agreement between the state of Minnesota and the middle management association, approved by the legislative commission on employee relations on August 22, 1983, is ratified.

Subd. 4. The labor agreement between the state of Minnesota and the bureau of criminal apprehension agents' association, Minnesota conservation officers association, and Minnesota state patrol officers association, approved by the legislative commission on employee relations on August 22, 1983, is ratified.

Subd. 5. The labor agreement between the state of Minnesota and the Minnesota government engineers' council, approved by the legislative commission on employee relations on August 22, 1983, is ratified.

Subd. 6. The commissioner of employee relations' plan for unrepresented employees, approved by the legislative commission on employee relations on August 22, 1983, is ratified.

Subd. 7. The commissioner of employee relations' plan for managerial employees, as amended and approved by the legislative commission on employee relations on October 3, 1983, is ratified.

Subd. 8. The salary plan for positions listed in section 15A.-081, subdivision 1, approved by the legislative commission on employee relations on October 3, 1983, is ratified.

Subd. 9. The labor agreement between the state of Minnesota and the association of health treatment professionals, approved by the legislative commission on employee relations on October 3, 1983, is ratified.

Subd. 10. The labor agreement between the state of Minnesota and the Minnesota nurses association, approved by the legislative commission on employee relations on November 14, 1983, is ratified.

Subd. 11. The labor agreement between the state of Minnesota and the interfaculty organization, Minnesota education association, approved by the legislative commission on employee relations on January 31, 1984, is ratified.

Subd. 12. The labor agreement between the state of Minnesota and the Minnesota community college faculty association, Minnesota education association, approved by the legislative commission on employee relations on January 31, 1984, is ratified.

Subd. 13. The labor agreement between the state of Minnesota and the Minnesota state university association of administrative service faculty, international brotherhood of teamsters, local 320, approved by the legislative commission on employee relations on January 31, 1984, is ratified.

Subd. 14. The labor agreement between the state of Minnesota and the state residential schools education association is ratified.

Sec. 148. [INTERIM APPROVAL.]

After adjournment of the 1984 session but before the 1985 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. 149. [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.

Sec. 150. [RED LAKE WATERSHED DISTRICT.]

The Red Lake watershed district may study ways to improve the management of the Clearwater River.

Sec. 151. [MANUFACTURING GROWTH COUNCIL.]

Subdivision 1. [LEGISLATIVE FINDINGS AND PURPOSE.] The legislature finds that manufacturing is vital to the economic growth of Minnesota; that there is little knowledge or consensus of future economic policy orientation in manufacturing in Minnesota; that plant closings, job losses, and economic loss to communities continue to threaten economic life in our state; and that state and national business growth are undergoing patterns of change.

In response to these findings, Minnesota must provide leadership to examine issues relating to manufacturing by establishing a mechanism to encourage consensus, compromise, and broad support among diverse groups interested in Minnesota's economic growth. Representatives of manufacturing management, labor, and state government must work together to establish long-term goals for manufacturing growth through careful economic analysis. The legislature must clearly indicate to manufacturing labor and management that it is willing to address the problems of Minnesota manufacturers.

Subd. 2. [CREATION OF COUNCIL.] There is created the Minnesota Manufacturing Growth Council whose purpose is to address manufacturing concerns in Minnesota. The council shall consist of 21 members appointed by the governor. The governor shall serve as chairperson of the council. The governor shall appoint seven members who represent manufacturing labor; seven members who represent manufacturing management; the commissioners of economic security, energy and economic development, and labor and industry; one economist; and two members of the public-at-large. The governor shall seek to appoint at least one member representing manufacturing businesses owned or managed by women.

Subd. 3. [DUTIES.] The duties and responsibilities of the council are:

(1) to recommend realistic objectives and goals for state manufacturing growth;

(2) to collect and analyze manufacturing data necessary for state policymaking; the council shall monitor permanent plant closings, plant relocations to other states, out-of-state expansions by firms with headquarters or significant facilities in Minnesota, expansions within the state, and new plant start-ups; the council shall identify Minnesota's competitive position in the na-

tional and international marketplace in both general and industry-by-industry terms and shall forecast the current and long-term supply and demand by industry for Minnesota manufacturing labor and products;

(3) to devise a strategy for encouraging Minnesota-based firms to maintain or expand production and jobs in the state;

(4) to identify the kinds of manufacturing firms that may have a special economic advantage for locating in Minnesota;

(5) to provide a forum within state government to address concerns and problems of individual manufacturers;

(6) to make regularly scheduled advisory reports to the legislature that outline specific proposals for allocating state resources necessary to implement a manufacturing policy;

(7) to design systematic procedures for measuring the effect that proposed state policies will have on Minnesota's position in the competition for manufacturing jobs;

(8) to create a center for productivity with the following responsibilities: to organize an adopt-a-company program designed to give small- to medium-sized companies assistance in productivity, planning, implementation, and review; to promote productivity improvements by acting as an information resource; to determine a research program to evaluate productivity processes and measure the improvements of various programs; to encourage additional productivity partnerships between manufacturing labor, management, and educational institutions; and to sponsor group roundtables to discuss technology, improved productivity, and concern for job security on a sector-by-sector basis; and

(9) to conduct a study to consider establishing a program to assist troubled manufacturing firms by determining the feasibility of a state assistance program, outlining how the program might work, and estimating its potential costs.

Subd. 4. [OFFICES, STAFF, SUPPORT.] The commissioner of energy and economic development shall provide the council with suitable offices, staff, and general administrative support.

Subd. 5. [REPEALER.] This section is repealed June 30, 1986.

Sec. 152. [CONVENTION FACILITY COMMISSION.]

Subdivision 1. [LEGISLATIVE POLICY; PURPOSE.] The legislature finds that Minnesota does not have a conven-

tion facility that is competitive in the national and international convention market. The legislature also finds that establishing a world class convention center in Minnesota could be an economic development initiative of statewide significance that may make a major contribution to the state's economic development and employment objectives. It is therefore necessary to determine the potential for improving Minnesota's position in the national convention market, and to prepare a proposal for the construction, operation, maintenance, promotion, location, and financing of a world-class state convention facility.

Subd. 2. [COMMISSION; MEMBERSHIP, ADMINISTRATION.] (a) The Minnesota convention facility commission is established and shall be organized, structured, and administered as provided in this section.

(b) The commission consists of one member from each congressional district and up to seven additional members, including the chairman, appointed by the governor. Commission members shall be compensated as provided in Minnesota Statutes, section 15.0575; subdivision 3.

(c) The chairman of the commission shall be appointed by the governor. The chairman shall preside at all meetings of the commission, if present, and perform all other duties and functions assigned by the commission or by law. The commission may appoint from among its members a vice-chairman to act for the chairman during temporary absence or disability.

Subd. 3. [POWERS OF COMMISSION.] (a) [GENERAL.] The commission shall have all powers necessary or convenient to discharge the duties imposed by law, including those specified in this section.

(b) [ACTIONS.] The commission may sue and be sued and shall be a public body within the meaning of chapter 562.

(c) [EMPLOYEES; CONTRACTS FOR SERVICES.] The commissioner of energy and economic development may employ persons and contract for services necessary to carry out the functions of the commission. Employees are in the unclassified service and members of the Minnesota State Retirement System.

(d) [RESEARCH.] The commission may conduct research studies and programs, collect and analyze data, prepare reports, maps, charts, and tables, and conduct all necessary hearings and investigations in connection with its functions.

Subd. 4. [COMMISSION DUTIES.] (a) [COMMISSION'S REPORT.] Not later than February 5, 1985, the commission shall make a report to the governor and legislature containing the commission's findings and recommendations and a proposal for

the construction, operation, maintenance, promotion, location, and financing of a Minnesota state convention facility.

(b) [SELECTION OF HOST CITY.] *By September 11, 1984, the commission shall choose the city in which the convention facility is to be located. The commission shall hold at least one hearing at which any city wishing to be considered as the location for the convention facility may give testimony. For the purposes of this section, the term "city" includes statutory and home rule charter cities.*

(c) [MARKET ANALYSIS.] *The commission's report shall contain a market analysis that evaluates Minnesota's potential to compete successfully for large national conventions and describes the type of convention, hotel, and related facilities and promotional efforts needed to be competitive in the national market.*

(d) [ECONOMIC BENEFIT ANALYSIS.] *The commission's report shall estimate the economic and other impact of the proposed facility.*

(e) [OWNERSHIP AND OPERATION.] *The commission's report shall contain a primary proposal for ownership, operation, and promotion of the facility along with a list of alternate proposals.*

(f) [LOCATION.] *The commission's report shall contain a listing of alternative sites considered for the convention facility, and the proposal shall recommend a specific site for the convention facility. The report shall indicate whether the host city for the convention facility supports the proposed site.*

(g) [FINANCING.] *The commission's report shall include a description of financing alternatives considered by the commission and a proposed method for financing the facility.*

Subd. 5. [TERMINATION.] *This section is repealed July 1, 1985.*

Sec. 153. [INDIAN COUNTRY LIQUOR LICENSES.]

Subdivision 1. [TOWN LIQUOR LICENSE.] *Notwithstanding any other provision of law, the town of Shingobee in Cass County and 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 act, and all licenses issued by the town prior to the effective date of this act may remain in effect.*

Subd. 2. [ON-SALE AND OFF-SALE LICENSES; INDIAN RESERVATIONS.] *Notwithstanding section 340.11 or any other law to the contrary, a license to sell off-sale or on-sale intoxicating liquor in effect on July 1, 1984, and issued by the governing body of an Indian tribe in accordance with United*

States Code, title 18, section 1161, is valid under chapter 340 without obtaining a license from a local unit of government. A valid license under this section may be renewed with the approval of the commissioner of public safety.

Subd. 3. [REPEALER.] *This section is repealed July 1, 1985.*

Sec. 154. [LINO LAKES ENERGY SERVICES.]

Notwithstanding any other law to the contrary, there shall be no shared energy services under Minnesota Statutes, section 16.02, subdivision 29, at the Minnesota correctional facility at Lino Lakes.

Sec. 155. [REPEALER.]

Minnesota Statutes 1982, sections 10.13; 16A.132; 16A.51; 16A.59; and 16A.73; 84.82, subdivision 1; Minnesota Statutes 1983 Supplement, section 17.106; and Laws 1983, chapter 301, section 233, are repealed.

Sec. 156. [EFFECTIVE DATE.]

This article is effective the day following final enactment, except that the motor vehicle transfer fee is effective for initial registrations and transfers that occur on and after September 1, 1984.

ARTICLE 3

AGRICULTURE, TRANSPORTATION AND OTHER AGENCIES

Section 1. TRANSPORTATION

Approved Complement

Trunk Highway—Add 9

The appropriations in this section are from the trunk highway fund, except where another fund is designated.

(a) Trunk Highway Development 26,300,000 23,500,000

It is estimated that this appropriation will be funded by Federal Highway Aid amounting to \$26,300,000 and the transfer of motor vehicle excise tax receipts amounting to \$23,500,000.

This appropriation is added to the appropriation in Laws 1983, chapter 293, section 2, subdivision 2.

(b) County State Aids 11,300,000

This appropriation is added to the appropriation in Laws 1983, chapter 293, section 2, subdivision 2.

This appropriation is from the county state-aid highway fund and is available until expended.

(c) Municipal State Aids 3,400,000

This appropriation is added to the appropriation in Laws 1983, chapter 293, section 2, subdivision 2.

This appropriation is from the municipal state-aid street fund and is available until expended.

(d) Equal Employment Opportunity 255,000

This appropriation is added to the appropriation for construction support in Laws 1983, chapter 293, section 2, subdivision 3.

(e) Maintenance Deficiency 1,000,000

This appropriation is added to the appropriation for maintenance in Laws 1983, chapter 293, section 2, subdivision 3.

Of the appropriation in Laws 1983, chapter 293, section 2, subdivision 3, for highway maintenance, \$930,000 of the appropriation for fiscal year 1985 is also available for fiscal year 1984.

(f) Expanded Program Delivery 6,500,000

This appropriation is added to the engineering services activity appropriation in Laws 1983, chapter 293, section 2, subdivision 4.

The commissioner of administration shall prepare a report to the chairman of

the house appropriations committee and the chairman of the senate finance committee regarding the long-term staffing and financial needs required by the department of transportation in order to provide maximum cost effectiveness in the delivery of the projected highway construction improvement program. This report shall include, but is not necessarily limited to, an assessment of staffing needs in design and construction for a projected ten-year period, assumptions used in projecting the level of the highway improvement program, cost effectiveness of consultant work in all areas of project development, and recommendations on the criteria which should be used to guide decisions on the need for enhancing department complement levels or contracting for project development services. The commissioner of transportation shall cooperate in the preparation of this report. The commissioner of administration shall submit the report along with recommendations to the chairman of the house appropriations committee and the chairman of the senate finance committee by November 1, 1984.

This appropriation shall not be considered the base appropriation for succeeding fiscal years. The commissioner of transportation shall incorporate the recommendations of the report as part of the department's 1985-1987 biennial budget submitted to the legislature.

The commissioner of transportation shall not alter the existing nine district departmental structure prior to June 30, 1985.

(g) Junkyard Regulation, Screening, and Removal

250,000

This appropriation is from the general fund to pay the costs incurred under Minnesota Statutes, section 161.242, subdivisions 3 and 4, and to make reimbursements to counties, on application by them, for the reasonable costs incurred by them in the enforcement of county ordinances regulating junkyards.

(h) Bicycle Transportation Program 66,600

This appropriation is added to the environmental services activity appropriation in Laws 1983, chapter 293, section 2, subdivision 4.

(i) Transit Assistance 12,600,000

This appropriation is from the transit assistance fund and is available only for distribution as provided in this paragraph.

The commissioner may distribute up to 100 percent of the receipts made available for the metropolitan area in the fiscal year ending June 30, 1985, for the planning and engineering design for light rail transit in the Hiawatha, University and Southwest Corridors. The commissioner may distribute up to 100 percent of the receipts made available for recipients outside of the metropolitan area in the fiscal year ending June 30, 1985, as he deems appropriate.

The commissioner of transportation shall submit to the chairman of the house appropriations committee and the chairman of the senate finance committee budget and proposed contract plans for the expenditure of this appropriation. The commissioner shall not expend this appropriation until the chairmen have made their recommendations on the expenditure plans and contracts. The recommendations are advisory only.

For the biennium ending June 30, 1985, the Metropolitan Transit Commission shall provide each month to the administrator of the Work Incentive Program in the Department of Economic Security no more than 575 monthly "All-You-Can-Ride" bus passes for use by the participants in the training and job replacement programs.

(j) Rail Service Improvements 17,500

This appropriation is from the general fund.

This appropriation is for the purpose of conducting a study of expanded railroad passenger service.

The commissioner of transportation shall study the feasibility and potential methods of expanding railroad passenger service in the state. The study must examine the following rail corridors: (1) St. Paul to Willmar to Morris to Breckenridge to Moorhead; (2) Moorhead to Grand Forks to Winnipeg; (3) St. Paul to Mankato to Worthington; (4) St. Paul to Northfield to Owatonna to Albert Lea to Austin; (5) Duluth to Virginia to International Falls to Winnipeg; (6) St. Paul to Rochester; and St. Paul to Alexandria to Fergus Falls to Moorhead to Winnipeg. The commissioner shall collect ridership data independent from AMTRAK data to analyze ridership and shall focus on local and intermediate stops. In analyzing the feasibility of expanding the railroad passenger service, the commissioner shall consider the following factors and any other factors deemed appropriate: (1) minimum train speed, service frequency, and performance standards; (2) station locations; (3) availability of equipment; (4) ridership forecasts; (5) track upgrading estimates; (6) fuel consumption; and (7) estimated fare recovery in relation to total operating costs. The commissioner shall report to the house and senate transportation committees by February 1, 1985, on his findings and recommendations.

This appropriation may not be expended until units of government along the proposed corridors have committed at least \$17,500 to match it.

Notwithstanding any provision of Minnesota Statutes, chapter 16A or any other law, the total amount appropriated for rail service improvements by Laws 1983, chapter 293, section 2, subdivision 5(a), shall be available for expenditure in any fiscal year.

\$147,400 of this appropriation is added to the finance and administration activity appropriation in Laws 1983, chapter 293, section 2, subdivision 7.

\$21,700 of this appropriation is added to the general services activity appropriation in Laws 1983, chapter 293, section 2, subdivision 7.

Sec. 2. PUBLIC SAFETY

Approved Complement

General—Add 5.25
Trunk Highway—Subtract 1

Federal—Add 1.25

(a) Capitol Security Position
Transfer 40,900

This appropriation is added to the appropriation for capitol security in Laws 1983, chapter 293, section 4, subdivision 7. The trunk highway fund appropriation for the state patrol in Laws 1983, chapter 293, section 4, subdivision 6, is reduced by \$40,900 for the year ending June 30, 1985.

(b) Natural Gas Pipeline Safety 34,800

This appropriation is added to the appropriation for fire safety in Laws 1983, chapter 293, section 4, subdivision 5.

(c) Licensing and Regulation of Video Games of Chance 75,000

This appropriation is for the liquor control division to regulate the sale and operation of video games of chance in Minnesota.

(d) Local Grants for Buy Fund 100,000

This appropriation is added to the appropriation in Laws 1983, chapter 293, section 4, subdivision 4, for grants to local officials for the cooperative investigation of cross-jurisdictional criminal activity.

The commissioner of public safety shall report to the legislature by March 1, 1985, on the expenditure of money from this appropriation.

Sec. 3. AGRICULTURE

Approved Complement

General Fund—Add 8

Seven of these positions are in the unclassified service.

(a) Quality Standards for Milk Manufacturers	40,000
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This appropriation is added to the appropriation for agricultural protection services in Laws 1983, chapter 293, section 5.

The general fund appropriation for Milk for Manufacturing investment reimbursements in Laws 1983, chapter 232, section 3, subdivision 1, is reduced by \$40,000 for the biennium ending June 30, 1985.

(b) Claims for Livestock Depredation	30,000
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This appropriation is added to the appropriation for administration and financial aids services in Laws 1983, chapter 293, section 5.

(c) Trade and Export Activity	108,000	142,000
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This appropriation is added to the appropriation for the same purpose in Laws 1983, chapter 301, section 29.

Any unencumbered balance of this appropriation remaining in the first year shall not cancel, but is available for the second year of the biennium.

(d) International Trade	59,000
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This appropriation is added to the appropriation for the trade and export office in Laws 1983, chapter 301, section 29.

\$180,000 of the appropriation made in Laws 1983, chapter 301, section 29, for the trade and export office shall not cancel but is available for fiscal year 1985.

(e) Family Farm Crisis Project 50,000

This appropriation shall be used to provide financial advice and counsel to farmers in financial crisis.

Individuals providing advice and counsel to farmers in financial crisis shall be knowledgeable and qualified and shall be trained by the commissioner of agriculture before beginning their duties.

(f) Administration and Financial Aids Services 65,000

This appropriation is for the purpose of contracting for studies into the effects and abatement of animal health and production problems created by stray voltage. Results of the studies shall be reported to the legislature by March 1, 1985.

(g) Soil and Water Conservation 74,000

This appropriation is for the purpose of implementing the various agricultural land preservation and conservation programs provided for by this act.

(h) Availability of Certain Appropriations

Notwithstanding any contrary provision of Laws 1983, chapter 293, section 5, the appropriations made in that section for the southern Minnesota river basin study area 2 and for grants to soil and water districts for cost-sharing contracts for erosion control and water quality management are available until expended.

Sec. 4. COMMERCE

Approved Complement

General Fund—Add 12

(a) Real Estate Education and Research	25,000
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This appropriation is added to the appropriation for investment protection in Laws 1983, chapter 293, section 7.

This appropriation is from the real estate education, research, and recovery account in the special revenue fund for the purpose of Minnesota Statutes, section 82.34, subdivision 6.

(b) Enforcement and Investigation	348,500
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This appropriation is added to the appropriation in Laws 1983, chapter 293, section 7.

Sec. 5. BOARD OF BOXING	22,800
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Approved Complement—Add 1

This appropriation is added to the appropriation in Laws 1983, chapter 293, section 8, subdivision 6.

Sec. 6. PUBLIC SERVICE	85,000
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This appropriation is added to the appropriation in Laws 1983, chapter 293, section 10, for the purpose of relocating the weights and measures division.

Of this amount no more than \$30,000 shall be recovered through the division's service fees and may be distributed equitably over a period not to exceed five years.

The attorney general shall pursue reimbursement to the general fund from the trunk highway fund and the federal government for costs associated with the relocation of the weights and measures division.

Sec. 7. RACING COMMISSION	
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The University of Minnesota shall prepare and present to the legislature by January 1, 1985, a plan for providing an-

alytical laboratory services for medical testing of horses running at racetracks licensed by the Minnesota racing commission. If the racing commission, in cooperation with the University of Minnesota, finds it necessary to obtain funding for the racing analytical laboratory before January 1, 1985, in order for the laboratory to be operational for the 1985 racing season, the racing commission may apply to the legislative advisory commission for funding from the general contingent account.

Sec. 8. MINNESOTA HISTORICAL SOCIETY

- (a) Artists Exhibit in the State Capitol 50,000
- (b) Acquire and restore Lind House 30,000

This appropriation is for payment to the City of New Ulm, but is available only to match contributions received from non-state sources in the amount of \$30,000, dollar for dollar. This appropriation is available until June 30, 1985.

(c) Roy Wilkins Memorial

The Minnesota historical society shall prepare a proposal for the legislature recommending a suitable memorial in the state capitol area commemorating the life and works of Roy Wilkins. The Minnesota historical society shall solicit the advice of the National Association for the Advancement of Colored People and the capitol area architectural and planning board regarding the design and placement of the proposed memorial. The Minnesota historical society shall submit the proposal not later than February 1, 1985.

- (d) State Archaeologist 26,500

This appropriation is for payment to the state archaeologist for the purpose of performing the duties relating to Minnesota Statutes, sections 138.31 to 138.42.

(e) Birch Coulee Battlefield State Historic Site	10,000
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This appropriation is to repair park facilities and make road improvements related to conveyance of the picnic grounds area to Renville County.

Sec. 9. BOARD OF THE ARTS

(a) Administrative Services	5,000
(b) Grants	100,000

\$50,000 is to match a sponsorship program grant from the Northwest Area Foundation and may be used only for that purpose.

\$50,000 is to be granted to the regional arts councils to match sponsorship program grants from the Blandin Foundation and may be used only for that purpose.

The appropriations in (a) and (b) are added to the appropriations for the same purposes in Laws 1983, chapter 293, section 18.

Sec. 10. VOYAGEURS NATIONAL PARK CITIZENS COMMITTEE	11,500	22,000
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This appropriation is added to the appropriation in Laws 1983, chapter 293, section 15. This appropriation is for the purpose of seeking federal funds for the planning and development of the Voyageurs National Park and to promote Voyageurs National Park on a national level through designation of the Voyageurs National Park as a pilot project area for the national tourism and recreation industry program, except that \$5,000 in the second year is for planning, promoting, and implementing a Voyageurs recognition day and for general promotional purposes.

Any unencumbered balance remaining in the first year shall not cancel, but is available for the second year of the biennium.

Sec. 11. VETERANS OF FOREIGN
WARS 5,000

This appropriation is added to the appropriation in Laws 1983, chapter 293, section 25.

Sec. 12. UNIFORM LAWS
COMMISSION 4,000

This appropriation is added to the appropriation in Laws 1983, chapter 293, section 14.

Of this appropriation, \$500 may be used for the purpose of supporting the activities of the annual convention to be held in Minnesota.

Sec. 13. 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. 14. 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, capital 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.

Sec. 15. Minnesota Statutes 1983 Supplement, section 15A.081, subdivision 7, is amended to read:

Subd. 7. The following salaries are provided for officers of metropolitan agencies:

	Effective July 1 1983	Effective July 1 1984
Chairman, metropolitan council	\$47,000	\$50,000
Chairman, metropolitan airports commission	14,000	16,000
Chairman, metropolitan transit commission	42,000	(46,000) -0-
<i>Chairman, regional transit board</i>	-0-	46,000
Chairman, metropolitan waste control commission	18,500	20,000

Fringe benefits for unclassified employees of the metropolitan waste control commission shall not exceed those fringe benefits received by unclassified employees of the metropolitan council.

Sec. 16. 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. 17. 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 to be responsible and accountable for weighing and recording the weights of livestock.

Sec. 18. 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 abat-toir 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. 19. 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. 20. 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. 21. Minnesota Statutes 1982, section 17A.04, subdivision 7, is amended to read:

Subd. 7. [REVOCAION 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. 22. 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. 23. 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. 24. 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. 25. 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. 26. 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 may 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 weighing and the commissioner. The agreement is for one year beginning July 1 and ending the following June 30. The agreement automatically renews each year unless the average daily number of livestock weighed falls below 500 head, in which case the business entity must give the commissioner a written notice of intent to termi-

nate at least 90 days prior to July 1. Otherwise the commissioner shall continue to provide state weighing services in accordance with this chapter.

State weighing service that exists on January 1, 1984, may not be terminated except as provided in this subdivision.

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. 27. 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 prescribed by the commissioner shall not exceed the fee in effect on March 1, 1984. 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. 28. 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.

Sec. 29. [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. 30. Minnesota Statutes 1983 Supplement, section 38.02, subdivision 1, is amended to read:

Subdivision 1. [PRO RATA DISTRIBUTION; CONDITIONS.] (1) Money appropriated to aid county and district agricultural societies and associations shall be distributed among all county and district agricultural societies or associations in the state pro rata, upon condition that each of them has complied with the conditions specified in clause (2).

(2) To be eligible to participate in such distribution, each such agricultural society or association (a) shall have held an annual fair for each of the three years last past, unless prevented from doing so because of a calamity or an epidemic declared by the local board of health or the state commissioner of health to exist; (b) shall have an annual membership of 25 or more; (c) shall have paid out to exhibitors for premiums awarded at the last fair held a sum not less than the amount to be received from the state; (d) shall have published and distributed not less than three weeks before the opening day of the fair a premium list, listing all items or articles on which premiums are offered and the amounts of such premiums and shall have paid premiums pursuant to the amount shown for each article or item to be exhibited; provided that premiums for school exhibits may be advertised in the published premium list by reference to a school premium list prepared and circulated during the preceding school year; and shall have collected all fees charged for entering an exhibit at the time the entry was made and in accordance with schedule of entry fees to be charged as published in the premium list; (e) shall have paid not more than one premium on each article or item exhibited, excluding championship or sweepstake awards, and excluding the payment of open class premium awards to 4H Club exhibits which at this same fair had

won a first prize award in regular 4H Club competition; (f) shall have submitted its records and annual report to the commissioner of agriculture on a form provided by the commissioner of agriculture, on or before the first day of (DECEMBER) *November* of the current year.

(3) All payments authorized under the provisions of this chapter shall be made only upon the presentation by the commissioner of agriculture with the commissioner of finance of a statement of premium allocations. As used herein the term premium shall mean the cash award paid to an exhibitor for the merit of an exhibit of livestock, livestock products, grains, fruits, flowers, vegetables, articles of domestic science, handicrafts, hobbies, fine arts, and articles made by school pupils, or the cash award paid to the merit winner of events such as 4H Club or Future Farmer Contest, Youth Group Contests, school spelling contests and school current events contests, the award corresponding to the amount offered in the advertised premium list referred to in schedule 2. Payments of awards for horse races, ball games, musical contests, talent contests, parades, and for amusement features for which admission is charged, are specifically excluded from consideration as premiums within the meaning of that term as used herein. Upon receipt of the statement by the commissioner of agriculture, it shall be the duty of the commissioner of finance to draw his voucher in favor of the agricultural society or association for the amount to which it is entitled under the provisions of this chapter, which amount shall be computed as follows: On the first \$750 premiums paid by each society or association, such society or association shall receive 100 percent reimbursement; on the second \$750 premiums paid, 80 percent; on the third \$750 premiums paid, 60 percent; and on any sum in excess of \$2,250, 40 percent.

(4) If the total amount of state aid to which the agricultural societies and associations are entitled under the provisions of this chapter exceeds the amount of the appropriation therefor, the amounts to which the societies or associations are entitled shall be pro rated so that the total payments by the state will not exceed the appropriation.

Sec. 31. [40A.01] [STATE AGRICULTURAL LAND PRESERVATION POLICY.]

Subdivision 1. [GOALS.] The goals of this chapter are to:

(1) *preserve and conserve agricultural land for long-term agricultural use in order to protect the productive natural resources of the state, maintain the farm and farm-related economy of the state, and assure continued production of food and other agricultural products;*

(2) *preserve and conserve soil and water resources; and*

(3) encourage the orderly development of rural and urban land uses.

Subd. 2. [METHODS.] The goals contained in subdivision 1 will be best met by combining state policies and guidelines with local implementation and enforcement procedures and private incentives.

Sec. 32. [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. [AGENCY.] "Agency" means the state planning agency.

Subd. 3. [AGRICULTURAL USE.] "Agricultural use" means the production of livestock, dairy animals, dairy products, poultry or poultry products, fur bearing animals, horticultural or nursery stock, fruit, vegetables, forage, grains, or bees and apiary products. "Agricultural use" also includes wetlands, pasture, forest land, wildlife land, and other uses that depend on the inherent productivity of the land.

Subd. 4. [BOARD.] "Board" means the state soil and water conservation board.

Subd. 5. [COMMISSIONER.] "Commissioner" means the commissioner of agriculture.

Subd. 6. [CROP EQUIVALENT RATING.] "Crop equivalent rating" means a rating that reflects the net economic return per acre of soil when managed for cultivated crops, permanent pasture, or forest, whichever provides the highest net return.

Subd. 7. [DEPARTMENT.] "Department" means the department of agriculture.

Subd. 8. [DEVELOPMENT.] "Development" means the subdivision and partitioning of land or the construction of residences on land or the conversion to competing land uses.

Subd. 9 [DISTRICT] "District" means a soil and water conservation district.

Subd. 10. [EXCLUSIVE AGRICULTURAL USE ZONE.] "Exclusive agricultural use zone" or "zone" means a zone created under this chapter.

Subd. 11. [FOREST LAND.] "Forest land" has the meaning given in section 88.01, subdivision 7.

Subd. 12. [LOCAL GOVERNMENT.] "Local government" means a county or municipality.

Subd. 13. [METROPOLITAN AREA.] "Metropolitan area" has the meaning given in section 473.121, subdivision 2.

Subd. 14. [MUNICIPALITY.] "Municipality" means a statutory or home rule charter city or town.

Subd. 15. [OFFICIAL CONTROLS.] "Official controls" or "controls" has the meaning given in section 462.352, subdivision 15.

Subd. 16. [SOIL SURVEY.] "Soil survey" means the comprehensive inventory and classification of soil types being conducted by the Minnesota cooperative soil survey.

Sec. 33. [40A.03] [PILOT COUNTY AGRICULTURAL LAND PRESERVATION.]

Subdivision 1. [PILOT COUNTIES; SELECTION.] By January 1, 1985, the commissioner, in consultation with counties and regional development commissions, where they exist, shall select not more than seven counties located outside of the metropolitan area that request to participate in a pilot program for county agricultural land preservation. If possible, counties shall include:

(1) a county that currently has official controls for agricultural land preservation and an adjacent county that does not have official controls;

(2) a county that is experiencing problems with forest land preservation;

(3) a county where a high level of development is likely to occur in the next ten years; and

(4) other counties representing a cross-section of agricultural uses and land management problems in the state.

Subd. 2. [PLANS AND OFFICIAL CONTROLS.] By January 1, 1987, each pilot county selected under subdivision 1 shall submit to the commissioner and to the regional development commission in which it is located, if one exists, a proposed agricultural land preservation plan and proposed official controls implementing the plan. The commissioner, in consultation with the regional development commission, shall review the plan and

controls for consistency with the elements in this chapter and shall submit written comments to the county within 90 days of receipt of the proposal. The comments must include a determination of whether the plan and controls are consistent with the elements in this chapter. The commissioner shall notify the county of its determination. If the commissioner determines that the plan and controls are consistent, the county shall adopt the controls within 60 days of completion of the commissioner's review.

Sec. 34. [40A.04] [STATEWIDE AGRICULTURAL LAND PRESERVATION.]

Subdivision 1. [COUNTIES.] Each county with a completed county soil survey, except for counties in the metropolitan area, may submit to the commissioner and to the regional development commission in which it is located, if one exists, a proposed agricultural land preservation plan and proposed official controls implementing the plan. The remaining counties located outside of the metropolitan area may submit a proposed plan and proposed controls. To the extent practicable, submission of the proposal must coincide with the completion of the county soil survey. The commissioner, in consultation with the regional development commission, shall review the plan and controls for consistency with the elements in this chapter and shall submit written comments to the county within 90 days of receipt of the proposal. The comments must include a determination of whether the plan and controls are consistent with the elements in this chapter. The commissioner shall notify the county of its determination. If the commissioner determines that the plan and controls are consistent, the county shall adopt the controls within 60 days of completion of the commissioner's review.

Subd. 2. [NONMETROPOLITAN CITY.] A city that is located partially within a county in the metropolitan area but is not included in the definition of the metropolitan area may elect to be governed by this section. The city may:

(1) request the county outside of the metropolitan area where it is partially located to include the city in the agricultural land preservation plan and official controls of the county, using the joint planning board process under section 462.3585; or

(2) perform the duties of a county independently under this section.

If the city does not elect to be governed by this section, the city shall perform the duties of an authority under chapter 473H.

Sec. 35. [40A.05] [ELEMENTS OF PLAN AND OFFICIAL CONTROLS.]

Subdivision 1. [GENERAL.] The plans and official controls prepared under this chapter must address the elements contained in this section.

Subd. 2. [PLAN.] A plan must address at least the following elements:

- (1) integration with comprehensive county plans;*
- (2) identification of land currently in agricultural use, including the type of agricultural use, the relative productive value of the land based on the crop equivalent rating, and the existing level of investment in buildings and equipment;*
- (3) identification of areas in which development is occurring or is likely to occur during the next 20 years;*
- (4) identification of existing and proposed public sanitary sewer and water systems;*
- (5) classification of land suitable for long-term agricultural use and its current and future development;*
- (6) determination of present and future housing needs representing a variety of price and rental levels and an identification of areas adequate to meet the demonstrated or projected needs; and*
- (7) a general statement of policy as to how the county will achieve the goals of this chapter.*

Subd. 3. [OFFICIAL CONTROLS.] Official controls implementing a plan must be consistent with the plan and must address at least the following elements:

- (1) designation of land suitable for long-term agricultural use and the creation of exclusive agricultural use zones, allowing for conditional, compatible uses that do not conflict with long-term agricultural use;*
- (2) designation of urban expansion zones where limited growth and development may be allowed;*
- (3) residential density requirements and minimum lot sizes in exclusive agricultural use zones and urban expansion zones; and*
- (4) standards and procedures for county decisions on rezoning, subdivision, and parcel divisions.*

Sec. 36. [40A.06] [CONTESTED CASE HEARINGS; JUDICIAL REVIEW.]

If a county or a municipality in the county disputes the determination of the commissioner relating to the elements under this chapter, the county or municipality may request that the commissioner initiate a contested case proceeding under chapter 14 within 30 days after receiving the determination. In addition, ten or more eligible voters of the county who own real estate within the county may request a contested case proceeding. The commissioner shall initiate the proceeding within 30 days after receiving the request. Judicial review of the contested case decision is as provided in chapter 14.

Sec. 37. [40A.07] [MUNICIPAL AGRICULTURAL LAND PRESERVATION.]

Subdivision 1. [FAILURE BY COUNTY TO PLAN.] As of January 1, 1990, if a county has not submitted a proposed agricultural land preservation plan and proposed official controls to the commissioner and the regional development commission, if one exists, a municipality within the county may request by resolution that the county submit a plan and official controls to the commissioner and the regional development commission. If the county does not do so within one year of receipt of the resolution, the municipality may perform the duties of the county with respect to land under its jurisdiction.

Subd. 2. [RELATIONSHIP TO OTHER LAWS.] Nothing in this chapter limits a municipality's power to plan or zone under other laws or to adopt official controls that are consistent with or more restrictive than those enacted by the county.

Sec. 38. [40A.08] [STATE PLANNING AGENCY; REGIONAL DEVELOPMENT COMMISSIONS.]

The state planning agency shall cooperate with and assist the commissioner in administering the agricultural land preservation program under this chapter. The commissioner may enter into agreements with the agency or a regional development commission under which staff are loaned for the purpose of selecting pilot counties and reviewing plans and official controls for consistency with the state guidelines.

Sec. 39. [40A.09] [EXCLUSIVE AGRICULTURAL USE ZONE; ELIGIBILITY.]

An owner or owners of land that has been designated for exclusive long-term agricultural use under a plan submitted to or approved by the commissioner is eligible to apply for the creation of an exclusive agricultural use zone. Eligibility continues unless the commissioner determines that the plan and official controls do not address the elements contained in this chapter or unless the county fails to implement the plan and official controls as required by this chapter.

Sec. 40. [40A.10] [APPLICATION FOR CREATION OF EXCLUSIVE AGRICULTURAL USE ZONE.]

Subdivision 1. [CONTENTS.] An eligible person may apply to the county in which the land is located for the creation of an exclusive agricultural use zone on forms provided by the commissioner. In case a zone is located in more than one county, the application must be submitted to the county in which the majority of the land is located. The application must contain at least the following information and other information the commissioner requires:

(a) Legal description of the area to be designated and parcel identification numbers where designated by the county auditor;

(b) Name and address of the owner;

(c) A witnessed signature of the owner covenanting that the land will be kept in exclusive agricultural use and will be used in accordance with the provisions of this chapter that exist on the date of application; and

(d) A statement that the restrictive covenant will be binding on the owner or the owner's successor or assignee, and will run with the land.

In the case of registered property, the owner shall submit the owner's duplicate certificate of title along with the application.

Subd. 2. [REVIEW AND NOTICE.] Upon receipt of an application, the county shall determine if all material required by subdivision 1 has been submitted and, if so, shall determine that the application is complete. The county shall send a copy of the application to the regional development commission, where applicable, and the soil and water conservation district where the land is located. The district shall prepare an advisory statement of existing and potential conservation problems in the zone. The district shall send the statement to the owner of record and to the commissioner.

Subd. 3. [RECORDING.] Within five days of the date of application, the county shall forward the application to the county recorder, together with the owner's duplicate certificate of title in the case of registered property. The county recorder shall record the restrictive covenant and return it to the applicant. In the case of registered property, the recorder shall memorialize the restrictive covenant upon the certificate of title and the owner's duplicate certificate of title. The recorder shall notify the county that the covenant has been recorded or memorialized.

Subd. 4. [COMMENCEMENT OF EXCLUSIVE AGRICULTURAL USE ZONE.] The land is an exclusive agricultural use zone and subject to the benefits and restrictions of this chapter commencing 30 days from the date the county determines the application is complete under subdivision 1.

Subd. 5. [FEE.] The county may require an application fee, not to exceed \$50.

Sec. 41. [40A.11] [DURATION OF EXCLUSIVE AGRICULTURAL USE ZONE.]

Subdivision 1. [GENERAL.] An exclusive agricultural use zone continues in existence until either the owner or the county initiates expiration as provided in this section. The date of expiration by the owner or the county must be at least eight years from the date of notice under this section.

Subd. 2. [TERMINATION BY OWNER.] The owner may initiate expiration of an exclusive agricultural use zone by notifying the county on a form prepared by the commissioner and available in each county. The notice must describe the property involved and must state the date of expiration. The notice may be rescinded by the owner during the first two years following notice.

Subd. 3. [TERMINATION BY COUNTY.] The county may initiate expiration of the exclusive agricultural use zone by notifying the owner by registered mail on a form provided by the commissioner, provided that before notification the following conditions are met:

(a) The agricultural land preservation plan and official controls have been amended so that the land is no longer designated for long-term agricultural use; and

(b) The commissioner has reviewed and approved the amended plan and official controls for consistency with the guidelines contained in this chapter. The notice must describe the property involved and must state the date of expiration.

Subd. 4. [NOTICE AND RECORDING; TERMINATION.] When the county receives notice under subdivision 2 or serves notice under subdivision 3, the county shall forward the original notice to the county recorder for recording and shall notify the regional development commission and the county soil and water conservation district of the date of expiration. Designation as an exclusive agricultural use zone and the benefits and limitations contained in this chapter and the restrictive covenant filed with the application cease on the date of expiration. In the case of registered property, the county recorder shall cancel the restrictive covenant upon the certificate of title and the owner's duplicate certificate of title on the effective date of the expiration.

Subd. 5. [EARLY EXPIRATION.] An exclusive agricultural use zone may be terminated earlier than as provided in this section only in the event of a public emergency upon petition from the owner or county to the governor. The determination of a public emergency must be made by the governor through executive order under section 4.035 and chapter 12. The executive order must identify the exclusive agricultural use zone, the reasons requiring the action, and the date of expiration.

Sec. 42. [40A.12] [PROTECTION FOR NORMAL AGRICULTURAL PRACTICES.]

Local governments may not enact ordinances or regulations that may restrict or regulate normal agricultural practices within an exclusive agricultural use zone unless the restriction or regulation has a direct relationship to public health and safety. This section applies to the operation of vehicles and machinery for planting, maintaining, and harvesting crops and timber and for caring and feeding farm animals, to the type of farming, and to the design of farm structures, except for residences.

Sec. 43. [40A.13] [SOIL CONSERVATION PRACTICES.]

Subdivision 1. [CONSERVATION PRACTICES TO PREVENT SOIL LOSS REQUIRED.] An owner of agricultural land in an exclusive agricultural use zone shall manage the land with sound soil conservation practices that prevent excessive soil loss. Soil loss is excessive if it is greater than the soil loss tolerance for each soil type described in the United States soil conservation service field office technical guide or if the soil loss is greater than the soil loss allowed in an ordinance of the county. A sound soil conservation practice prevents excessive soil loss or reduces soil loss to the most practicable extent. The county shall enforce this subdivision.

Subd. 2. [COMPLAINT.] An elected local government official or district board member from the affected jurisdiction may submit a written complaint to the county attorney if conditions exist that indicate there is excessive soil loss from a tract of land that affects another tract of land or body of water. The written complaint must contain the name and address of the landowner, the location of the tract of land with the excessive soil loss, other land or water that is affected by the excessive soil loss, and a description of the nature of the excessive soil loss and resulting sedimentation. The county attorney may submit the complaint to the district for soil loss determination.

Subd. 3. [DISTRICT DETERMINATION OF SOIL LOSS.]

(a) Upon request by the county attorney the district shall determine the average soil loss in tons per acre per year of the tract of land cited in the complaint.

(b) The district shall submit a report to the county attorney that states the average soil loss in tons per acre per year for each

tract of land and if that soil loss exceeds the amounts allowed in subdivision 1. If the soil loss is excessive the report must include the existing management and soil conservation practices and alternative practices that will prevent excessive soil loss or reduce the soil loss to the most practicable extent. If the report shows that the soil loss from the tract of land is excessive and alternative practices are available to reduce the soil loss the county attorney shall submit the complaint and the report to the county board.

(c) The district may enter public or private land to make an inspection for the determination of soil loss or to complete the report. The landowners must be notified of the time of the inspections and be given an opportunity to be present when the inspection is made.

Subd. 4. [COUNTY BOARD INSPECTION; RESOLUTION.] *(a) Upon receipt of the complaint and district report from the county attorney the county board may make an inspection of the land cited in the complaint to determine if the land is managed properly. The county board may enter public or private land to make an inspection for the determination. The county board must notify landowners of the time of the inspection and give them an opportunity to be present when the inspection is made.*

(b) If the county board determines that the land is managed properly the complaint must be dismissed. If the county board determines that the land is not being managed properly the board shall adopt a resolution that describes alternative management practices; requires the owner within one year after receiving the resolution to commence practices or measures to reduce soil loss to the most practicable extent or prevent excessive soil loss, or submit a completed application for cost-sharing funds; and require that the practices or measures must be completed within one year after cost-sharing funds are available, or two years after receiving the resolution, whichever is later. The resolution must be delivered by personal service or certified mail to the landowner cited in the complaint.

Subd. 5. [DISTRICT ASSISTANCE.] *At the request of a landowner receiving a resolution under subdivision 4, the district shall assist in the planning, design, and application of practices necessary to reduce soil loss to the amounts allowed in subdivision 1 or to the greatest practicable extent. The district shall give the landowner a high priority for technical and cost-sharing assistance.*

Sec. 44. [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 commissioner 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 commissioner shall administer the program in order to develop a working partnership between the state and local governments.

Subd. 2. [SURVEY.] The commissioner 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 state soil and water conservation 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 commissioner shall ensure the participation of a cross-section of the public in developing and promoting programs under this chapter. The commissioner shall actively solicit public involvement in reviewing proposed agricultural land preservation plans and proposed official controls. The commissioner 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. 45. [40A.15] [AGRICULTURAL LAND PRESERVATION AND CONSERVATION ASSISTANCE PROGRAM.]

Subdivision 1. [ESTABLISHMENT AND ADMINISTRATION.] An agricultural land preservation and conservation assistance program is created to provide technical and financial assistance for agricultural land preservation and conservation activities and to provide assistance to counties and municipalities

in preparing agricultural land preservation plans and official controls. The commissioner shall administer the program under rules promulgated under chapter 14. The commissioner shall actively seek the involvement of local government officials in the rulemaking process.

Subd. 2. [ELIGIBLE RECIPIENTS.] All counties within the state, municipalities that prepare plans and official controls instead of a county, and districts are eligible for assistance under the program. Counties and districts may apply for assistance on behalf of other municipalities. In order to be eligible for financial assistance a county or municipality must agree to levy at least one-half mill on the dollar of assessed value of property within its jurisdiction for agricultural land preservation and conservation activities or otherwise spend the equivalent amount of local money on those activities, or spend \$15,000 of local money, whichever is less.

Subd. 3. [PROGRAM DEVELOPMENT.] In administering the program the commissioner shall time the promotion of public awareness and the distribution of technical and financial assistance in order to maximize the use of available resources, facilitate the agricultural land preservation process, and promote sound soil conservation practices.

Subd. 4. [FINANCIAL ASSISTANCE.] The commissioner shall administer grants for up to 50 percent of the cost of the activity to be funded, except that grants to the pilot counties shall be for 100 percent of the cost of preparing new plans and official controls required under this chapter. Grants may not be used to reimburse the recipient for activities that are already completed. Grants may be used to employ and train staff, contract with other units of government or private consultants, and pay other expenses related to promoting and implementing agricultural land preservation and conservation activities. The commissioner shall prepare and publish an inventory of sources of financial assistance. To the extent practicable, the commissioner shall assist recipients in obtaining matching grants from other sources.

Subd. 5. [TECHNICAL ASSISTANCE]. The commissioner shall provide for technical assistance for eligible recipients. The commissioner shall provide model plans and model official controls for the preservation of land for long-term agricultural use that address the elements contained in this chapter. To the extent practicable, the commissioner shall provide technical assistance through existing administrative structures. The commissioner may contract for the delivery of technical assistance by a regional development commission, a district, any state or federal agency, any political subdivision of the state, or private consultants. The commissioner shall prepare and publish an inventory of sources of technical assistance, including studies, publications, agencies, and persons available.

Sec. 46. [40A.16] [INTERAGENCY COOPERATION.]

The board, districts, the agency, and the department of natural resources shall cooperate with and assist the commissioner in developing and implementing the agricultural land preservation and conservation awareness and assistance programs. The commissioner may enter into agreements under which staff from those agencies are loaned for the purpose of administering the programs.

Sec. 47. [40A.17] [REPORT.]

The commissioner shall report to the legislature on January 1 and July 1 of each year on activities under this chapter. By July 1, 1985, the report must include the survey of public awareness in the awareness program. The report shall include recommendations for funding levels and other necessary legislative action.

Sec. 48. Minnesota Statutes 1983 Supplement, section 43A.04, subdivision 8, is amended to read:

Subd. 8. [DONATION OF TIME (BY STATE PATROL).] Notwithstanding any law to the contrary, the commissioner shall authorize the appointing authority to permit the donation of up to three hours of accumulated vacation time in each year by each employee who is a member of law enforcement unit number 1 to their union representative for the purpose of carrying out the duties of his or her office.

Sec. 49. Minnesota Statutes 1982, section 117.195, subdivision 1, is amended to read:

Subdivision 1. [AWARD; INTEREST.] All damages allowed under this chapter, whether by the commissioners or upon appeal, shall bear interest from the time of the filing of the commissioner's report or from the date of the petitioner's possession whichever occurs first. *The rate of interest shall be determined according to section 549.09.* If the award is not paid within 70 days after the filing, or, in case of an appeal within 45 days after final judgment, or within 45 days after a stipulation of settlement, the court, on motion of the owner of the land, shall vacate the award and dismiss the proceedings against the land.

Sec. 50. Minnesota Statutes 1982, section 117.232, subdivision 1, is amended to read:

Subdivision 1. When acquisition of private property is accomplished by the state department of transportation by direct purchase the owner shall be entitled to reimbursement for appraisal fees, not to exceed a total of (\$300) \$500. When acquisition of private property is accomplished by any other acquiring authority, the owner is entitled to reimbursement for appraisal

fees, not to exceed (\$300) \$500, if the owner is otherwise entitled to reimbursement under sections 117.50 to 117.56. The purchaser in all instances shall inform the owner of his right, if any, to reimbursement for appraisal fees reasonably incurred, in an amount not to exceed (\$300) \$500, together with relocation costs, moving costs and any other related expenses to which an owner is entitled by sections 117.50 to 117.56. This subdivision does not apply to acquisition for utility purposes made by a public service corporation organized pursuant to section 300.03 or electric cooperative associations organized pursuant to section 308.05.

Sec. 51. Minnesota Statutes 1982, section 155A.06, subdivision 1, is amended to read:

Subdivision 1. [CREATION.] The Minnesota cosmetology advisory council is created, consisting of (NINE) 11 members, as follows: Three members representative of consumers; (THREE) four cosmetologists or shop managers; (TWO) three cosmetology school representatives, *at least one* (REPRESENTING) *of whom shall represent* public cosmetology schools and one (REPRESENTING) *represent* private cosmetology schools; and one representative of manufacturers of cosmetology products. The chair shall be selected at the first meeting of each year by the council from among its members by majority vote and shall serve until a successor is elected.

Sec. 52. 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 constructed 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. 53. 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. 54. Minnesota Statutes 1982, section 161.242, subdivision 3, is amended to read:

Subd. 3. [UNAUTHORIZED JUNK YARDS PROHIBITED.] ((1) NO) (a) A junk yard may *not* exist or be operated outside a zoned or unzoned industrial area, including those located on public lands (AND RESERVATIONS OF THE UNITED STATES), unless it (BE) is screened (SO AS) to effectively conceal it from the view of motorists using the highway. The screening required by this section may be effected by trees, shrubs, or foliage, natural objects, fences or other appropriate means as determined by standards established by the commissioner. Plantings (WHICH) *that* will eventually achieve effective screening shall be acceptable. Plantings shall be used in connection with any fence or other non-natural screening device.

((2) ANY SUCH) (b) A *portion* of a junk yard (OR PORTION THEREOF WHICH) *that* cannot be effectively (BE) screened (SHALL) *must* be removed or relocated (PURSUANT TO) *under* the provisions of this section (ON OR BEFORE JULY 1, 1979). (ANY SUCH) A junk yard lawfully existing (ON) *along* a highway (WHICH) *that* is made a part of the trunk highway system after January 1, 1975, and becomes nonconforming thereby shall be effectively screened or removed or relocated within four years (THEREAFTER). Any junk yard (WHICH) *that* comes into existence after July 1, 1971 (WHICH) *that* does not conform to this section, or (WHICH) *that* becomes nonconforming after July 1, 1971, or (WHICH) *that* becomes nonconforming after action by the commissioner pursuant to this section, is hereby declared to be a public nuisance and illegal, and the commissioner may enter upon the land where the junk yard is located and may screen the same, or may relocate or dispose of the junk yard after 90 days notice to the owner or dealer thereof, if known, or to the owner of the land. In this event, no compensation shall be paid to the owner or dealer or owner of the land, and the commissioner may (COLLECT) *recover* the cost of screen-

ing, removal, relocation or disposal from the owner or dealer, if known, or from the owner of the land upon which the junk yard is located. *Any costs recovered by the commissioner shall be deposited in the general fund.*

(3) (c) None of the articles commonly found in junk yards shall be allowed to remain on the grounds for more than 24 hours unless within the buildings or the properly screened area as provided herein, nor shall any junk in any junk yard be allowed to extend above existing or planned screening so as to be visible from the highway.

Sec. 55. Minnesota Statutes 1982, section 161.242, subdivision 4, is amended to read:

Subd. 4. [AUTHORITY; ENFORCEMENT.] The commissioner shall screen junk yards when required by this section at locations on the right-of-way of the highway or on lands within 1,000 feet of the right-of-way and shall pay for the costs thereof. If screening is not feasible because of economic or topographic reasons, the commissioner shall secure the removal, relocation or disposal of such junk yard by sale, agreement, or other means, and pay for the costs thereof. Notwithstanding the other provisions of this section, if a junk yard exists within one-half mile of the right-of-way of any trunk highway and is visible from the highway, the commissioner may acquire easements for screening purposes up to one-half mile from the edge of the right-of-way of the highway. The commissioner shall acquire such rights and interest in property, personal or real, necessary to carry out the purposes of this section by purchase, gift, or eminent domain proceedings and shall pay just compensation therefor. (THE COMMISSIONER SHALL NOT EXPEND ANY MONEY TO ACQUIRE RIGHTS OR INTERESTS IN JUNK YARDS UNDER THIS SECTION, EXCEPT THOSE FOR WHICH ACQUISITION PROCEEDINGS WERE BEGUN BEFORE JUNE 8, 1979 OR FOR WHICH FEDERAL MONEY HAS BEEN APPROPRIATED BY CONGRESS FOR JUNK YARDS DESCRIBED IN TITLE 23, UNITED STATES CODE, SECTION 136(J) AND THE FEDERAL SHARE HAS BEEN MADE AVAILABLE TO THE COMMISSIONER. ALL COSTS DESCRIBED HEREIN SHALL BE NECESSARY FOR A HIGHWAY PURPOSE.)

Sec. 56. Minnesota Statutes 1982, section 161.31, subdivision 1, is amended to read:

Subdivision 1. [MAPS.] The commissioner shall periodically publish a map showing the location and status of improvements of the trunk highway system. *Trunk highway maps may contain advertising as a means of offsetting the costs of preparing and distributing the maps. All advertising revenues received by the commissioner under this subdivision shall be deposited in the trunk highway fund.*

Sec. 57. Minnesota Statutes 1983 Supplement, section 161.43, is amended to read:

161.43 [RELINQUISHMENT OF HIGHWAY EASEMENTS.]

The commissioner of transportation may relinquish and quitclaim to the fee owner an easement or portion of an easement owned but no longer needed by the transportation department for trunk highway purposes, upon payment to the transportation department of an amount of money equal to the appraised current market value of the easement. If the fee owner refuses to pay the required amount, or if after diligent search the fee owner cannot be found, the commissioner may convey the easement to an agency or to a political subdivision of the state upon terms and conditions agreed upon, or the commissioner may acquire the fee title to the land underlying the easement in the manner provided in section 161.20, subdivision 2. After acquisition of the fee title, the lands may be sold to the highest responsible bidder upon three weeks published notice of the sale in a newspaper or other periodical of general circulation in the county where the land is located. All bids may be rejected and new bids received upon like publication. If the lands remain unsold after being offered for sale to the highest bidder, the commissioner may retain the services of a licensed real estate broker to find a buyer. The sale price may be negotiated by the broker, but must not be less than 90 percent of the appraised market value as determined by the commissioner. The broker's fee must be established by prior agreement between the commissioner and the broker, and must not exceed ten percent of the sale price *for sales of \$10,000 or more*. The broker's fee must be paid to the broker from the proceeds of the sale.

Sec. 58. Minnesota Statutes 1983 Supplement, section 161.44, subdivision 6a, is amended to read:

Subd. 6a. [SERVICES OF A LICENSED REAL ESTATE BROKER.] If the lands remain unsold after being offered for sale to the highest bidder, the commissioner may retain the services of a licensed real estate broker to find a buyer. The sale price may be negotiated by the broker, but must not be less than 90 percent of the appraised market value as determined by the commissioner. The broker's fee must be established by prior agreement between the commissioner and the broker, and must not exceed ten percent of the sale price *for sales of \$10,000 or more*. The broker's fee must be paid to the broker from the proceeds of the sale.

Sec. 59. 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. 60. 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, wholesale 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. 61. 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 sit-

uated 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 governed by chapter 302A may be appointed a deputy registrar. Upon application by an individual serving as a deputy registrar and the giving of the requisite bond as provided in subdivision 2 of this section, personally assured by the individual or another individual approved by the commissioner of public safety, 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.

Sec. 62. Minnesota Statutes 1983 Supplement, section 169.81, subdivision 2, is amended to read:

Subd. 2. [LENGTH OF VEHICLES.] (a) No single unit motor vehicle, except truck cranes which may not exceed 45 feet, unladen or with load may exceed a length of 40 feet extreme overall dimensions inclusive of front and rear bumpers, except that the governing body of a city is authorized by permit to provide for the maximum length of a motor vehicle, or combination of motor vehicles, or the number of vehicles that may be fastened together, and which may be operated upon the streets or highways of a city; provided, that the permit may not prescribe a length less than that permitted by state law. A motor vehicle operated in compliance with the permit on the streets or highways of the city is not in violation of this chapter.

(b) No single semitrailer may have an overall length, exclusive of non-cargo-carrying accessory equipment, including refrigeration units or air compressors, necessary for safe and efficient operation mounted or located on the end of the semitrailer adjacent to the truck or truck-tractor, in excess of 48 feet, except as provided in paragraph (d). No single trailer may have an overall length inclusive of tow bar assembly and exclusive of rear protective bumpers which do not increase the overall length by more than six inches, in excess of 45 feet. For determining compliance with the provisions of this subdivision, the length of the semitrailer or trailer must be determined separately from the overall length of the combination of vehicles.

(c) No semitrailer or trailer used in a three-vehicle combination may have an overall length, exclusive of non-cargo-carrying accessory equipment, including refrigeration units or air compressors, necessary for safe and efficient operation mounted or located on the end of the semitrailer or trailer adjacent to the truck or truck-tractor, and further exclusive of the tow bar assembly, in excess of 28-1/2 feet. *The commissioner may not grant a permit authorizing the movement, in a three-vehicle combination, of a semitrailer or trailer that exceeds 28-1/2 feet, except that the commissioner may renew a permit that was granted before April 16, 1984 for the movement of a semitrailer or trailer that exceeds the length limitation in this paragraph.*

(d) The commissioner may issue an annual permit for a semitrailer in excess of 48 feet in length, if the distance from the kingpin to the centerline of the rear axle group of the semitrailer does not exceed 41 feet and if a combination of vehicles, which includes a semitrailer in excess of 48 feet for which a permit has been issued under this paragraph, does not exceed an overall length of 65 feet. The annual fee for a permit issued under this paragraph is \$36.

Sec. 63. Minnesota Statutes 1982, section 174.22, is amended by adding a subdivision to read:

Subd. 2a. "Metropolitan area" has the meaning given it in section 473.121.

Sec. 64. Minnesota Statutes 1982, section 174.22, subdivision 5, is amended to read:

Subd. 5. "Operating deficit" means the amount by which the total prudent operating expenses incurred in the operation of the public transit system exceeds the amount of operating revenue derived (THEREFROM AND THE AMOUNT OF ANY SOCIAL FARE REIMBURSEMENT PURSUANT TO SECTION 174.24, SUBDIVISION 4) *from the system.*

Sec. 65. Minnesota Statutes 1982, section 174.22, subdivision 10, is amended to read:

Subd. 10. "Urbanized area service" means a transportation service operating in an urban area of more than 50,000 persons but does not include (SERVICES OPERATED BY THE METROPOLITAN TRANSIT COMMISSION, AS DEFINED IN SUBDIVISION 4, OR) elderly and handicapped service, as defined in subdivision 13.

Sec. 66. Minnesota Statutes 1982, section 174.22, subdivision 13, is amended to read:

Subd. 13. "Elderly and handicapped service" means transportation service provided on a regular basis in urbanized or large urbanized areas (, EXCEPT FOR METRO MOBILITY SERVICE ESTABLISHED UNDER SECTION 174.31,) and designed exclusively or primarily to serve individuals who are elderly or handicapped and unable to use regular means of public transportation.

Sec. 67. Minnesota Statutes 1982, section 174.23, subdivision 2, is amended to read:

Subd. 2. [FINANCIAL ASSISTANCE.] The commissioner shall seek out and select eligible recipients of financial assistance under sections 174.21 to 174.27. The commissioner shall establish by rule the procedures and standards for review and approval of applications for financial assistance submitted to the commissioner pursuant to sections 174.21 to 174.27. Any applicant shall provide to the commissioner any financial or other information required by the commissioner to carry out his duties. The commissioner may require local contributions from applicants as a condition for receiving financial assistance. Before the commissioner approves any grant, the application for the grant shall be reviewed and approved by the appropriate re-

gional development commission (OR THE METROPOLITAN COUNCIL) only for consistency with regional transportation plans and development guides. If an applicant proposes a project within the jurisdiction of a transit authority or commission or a transit system assisted or operated by a city or county, the application shall also be reviewed by that commission, authority or political subdivision for consistency with its transit programs, policies and plans. Any regional development commission that has not adopted a transportation plan may review but may not approve or disapprove of any application.

Sec. 68. Minnesota Statutes 1982, section 174.23, subdivision 4, is amended to read:

Subd. 4. [RESEARCH; EVALUATION.] The commissioner shall conduct research and shall study, analyze, and evaluate concepts, techniques, programs, and projects to accomplish the purposes of sections 174.21 to 174.27, including traffic operations improvements, preferential treatment and other encouragement of transit and paratransit services and high-occupancy vehicles, improvements in the management and operation of regular route transit services, special provision for pedestrians and bicycles, management and control of parking, changes in work schedules, and reduction of vehicle use in congested and residential areas. The commissioner shall examine and evaluate such concepts, techniques, programs, and projects now or previously employed or proposed in this state and elsewhere. The commissioner or an independent third party under contract to the commissioner shall monitor and evaluate the management and operation of public transit systems, services, and projects receiving financial or professional and technical assistance under sections 174.21 to 174.27 or other state programs to determine the manner in which and the extent to which such systems, services, and projects contribute or may contribute to the purposes of sections 174.21 to 174.27. The commissioner shall develop and promote proposals and projects to accomplish the purposes of sections 174.21 to 174.27 and shall actively solicit such proposals from municipalities, counties, legislatively established transit commissions and authorities, regional development commissions, (THE METROPOLITAN COUNCIL,) and potential vendors. In conducting such activities the commissioner shall make the greatest possible use of already available research and information. The commissioner shall use the information developed under sections 174.21 to 174.27 in developing or revising the state transportation plan.

Sec. 69. Minnesota Statutes 1982, section 174.24, subdivision 1, is amended to read:

Subdivision 1. [ESTABLISHMENT; PURPOSE.] A public transit participation program is established to carry out the objectives stated in section 174.21 by providing financial assis-

tance from the state to eligible recipients *outside of the metropolitan area.*

Sec. 70. Minnesota Statutes 1982, section 174.24, subdivision 2, is amended to read:

Subd. 2. [ELIGIBILITY; APPLICATIONS.] Any legislatively established public transit commission or authority, any county or statutory or home rule charter city providing financial assistance to or operating public transit, any private operator of public transit, or any combination thereof is eligible to receive financial assistance through the public transit participation program. *Eligible recipients must be located outside of the metropolitan area.*

Sec. 71. Minnesota Statutes 1983 Supplement, section 174.24, subdivision 3, is amended to read:

Subd. 3. [FINANCIAL ASSISTANCE.] Payment of financial assistance shall be by contract between the commissioner and an eligible recipient. The commissioner shall determine the total operating cost of any public transit system receiving or applying for assistance in accordance with generally accepted accounting principles. To be eligible for financial assistance, an applicant or recipient shall provide to the commissioner all financial records and other information and shall permit any inspection reasonably necessary to determine total operating cost and correspondingly the amount of assistance which may be paid to the applicant or recipient. Where more than one county or municipality contributes assistance to the operation of a public transit system, the commissioner shall identify one as lead agency for the purpose of receiving moneys under this section.

(THE COMMISSIONER SHALL ADOPT RULES ESTABLISHING UNIFORM PERFORMANCE STANDARDS FOR PRIVATE OPERATORS OF REGULAR ROUTE TRANSIT SYSTEMS IN THE TRANSIT TAXING DISTRICT, AS DEFINED IN SECTION 473.446, SUBDIVISION 2. THE RULES ARE SUBJECT TO THE PROVISIONS IN THE ADMINISTRATIVE PROCEDURE ACT OF SECTIONS 14.01 TO 14.70. PAYMENTS TO THOSE PRIVATE OPERATORS SHALL BE BASED ON THE UNIFORM PERFORMANCE STANDARDS AND OPERATING DEFICIT AND SHALL NOT EXCEED 100 PERCENT OF THE OPERATING DEFICIT AS DETERMINED BY THE COMMISSIONER. PAYMENTS SHALL BE BASED ON APPROVED ESTIMATES OF EXPENDITURES DURING THE CONTRACT PERIOD AND SHALL BE SUBJECT TO AUDIT AND ADJUSTMENT AFTER ANY PAYMENT HAS BEEN MADE.)

Prior to distributing operating assistance to eligible recipients for any contract period, the commissioner shall place all recipi-

ents into one of the following classifications: large urbanized area service, urbanized area service, small urban area service, rural area service, and elderly and handicapped service. The commissioner shall distribute funds under this section so that the percentage of total operating cost paid by any recipient from local sources will not exceed the percentage for that recipient's classification, except as provided in an undue hardship case. The percentages shall be: for large urbanized area service, 55 percent; for urbanized area service and small urban area service, 40 percent; for rural area service, 35 percent; and for elderly and handicapped service, 35 percent. The remainder of the total operating cost will be paid from state funds less any assistance received by the recipient from any federal source. For purposes of this subdivision "local sources" means all local sources of funds and includes all operating revenue, tax levies, and contributions from public funds, except that the commissioner may exclude from the total assistance contract revenues derived from operations the cost of which is excluded from the computation of total operating cost.

If a recipient informs the commissioner in writing after the establishment of these percentages but prior to the distribution of financial assistance for any year that paying its designated percentage of total operating cost from local sources will cause undue hardship, the commissioner may reduce the percentage to be paid from local sources by the recipient and increase the percentage to be paid from local sources by one or more other recipients inside or outside the classification, provided that no recipient shall have its percentage thus reduced or increased for more than two years successively. If for any year the funds appropriated to the commissioner to carry out the purposes of this section are insufficient to allow the commissioner to pay the state share of total operating cost as provided in this paragraph, the commissioner shall reduce the state share in each classification to the extent necessary.

Sec. 72. Minnesota Statutes 1982, section 174.24, subdivision 5, is amended to read:

Subd. 5. [METHOD OF PAYMENT.] Payments under this section (TO RECIPIENTS OTHER THAN THE METROPOLITAN TRANSIT COMMISSION AND PRIVATE OPERATORS WITHIN THE SEVEN-COUNTY METROPOLITAN AREA WHOSE DEFICITS ARE FUNDED 100 PERCENT BY THE STATE) shall be made in the following manner:

50 percent of the total contract amount in the first month of operation;

40 percent of the total contract amount in the seventh month of operation;

9 percent of the total contract amount in the twelfth month of operation; and

1 percent of the total contract amount after the final audit.

(THE METHOD OF PAYMENT UNDER THIS SECTION TO PRIVATE OPERATORS WITHIN THE SEVEN-COUNTY METROPOLITAN AREA WHOSE DEFICITS ARE FUNDED 100 PERCENT BY THE STATE SHALL BE DETERMINED BY THE COMMISSIONER.)

Sec. 73. 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; and (d) is receiving assistance or has submitted an application or a letter of intent to apply for assistance under the program by July 1, 1984. Eligible cities or towns may apply on behalf of any operator of public transit with whom they propose to contract for service.

Sec. 74. [174.32] [TRANSIT ASSISTANCE PROGRAM.]

Subdivision 1. [ESTABLISHMENT; PURPOSE.] A transit assistance program is established to provide transit assistance within the state. The commissioner shall provide financial assistance from the fund created in subdivision 2 to eligible recipients for transit service activities as provided in this section.

Subd. 2. [TRANSIT ASSISTANCE FUND; DISTRIBUTION.] A transit assistance fund is created for the purpose of receiving money distributed under section 297B.09. The commissioner shall distribute 80 percent of the receipts of the fund to recipients located in the metropolitan area and 20 percent to recipients located outside of the metropolitan area.

Subd. 3. [ELIGIBLE RECIPIENTS.] A legislatively established public transit commission; a public authority organized and existing under chapter 398A; a county or statutory or home rule charter city operating, intending to operate, or providing financial assistance to a transit service; a rail authority; or a private operator of public transit is eligible for assistance under the program.

Subd. 4. [ELIGIBLE SERVICES.] Transit services eligible for assistance under the program include but are not limited to:

- (1) public transit;*
- (2) light rail transit;*
- (3) commuter van, car pool, ride share, and park and ride; and*
- (4) other services that further the purposes of section 174.21.*

Subd. 5. [ELIGIBLE ACTIVITIES.] Activities eligible for assistance under the program include but are not limited to:

- (1) planning and engineering design for transit services;*
- (2) capital assistance to purchase or refurbish transit vehicles, purchase rail lines and associated facilities for light rail transit, purchase rights-of-way, and other capital expenditures necessary to provide a transit service; and*
- (3) other assistance for public transit services.*

Sec. 75. [221.022] [METROPOLITAN TRANSIT COMMISSION; EXCEPTION.]

The powers granted to the board under sections 221.011 to 221.296 do not include the power to regulate any service or vehicles operated by the metropolitan transit commission.

Sec. 76. Minnesota Statutes 1983 Supplement, section 221.041, is amended by adding a subdivision to read:

Subd. 4. [NONAPPLICABILITY.] This section does not apply to any regular-route passenger transportation being performed with operating assistance provided by the regional transit board.

Sec. 77. Minnesota Statutes 1983 Supplement, section 221.071, subdivision 1, is amended to read:

Subdivision 1. [CONSIDERATIONS; TEMPORARY CERTIFICATES; AMENDING.] If the board finds from the evidence that the petitioner is fit and able to properly perform the services proposed and that public convenience and necessity require the granting of the petition or a part of the petition, it shall issue a certificate of public convenience and necessity to the petitioner. In determining whether a certificate should be issued, the

board shall give primary consideration to the interests of the public that might be affected, to the transportation service being furnished by a railroad which may be affected by the granting of the certificate, and to the effect which the granting of the certificate will have upon other transportation service essential to the communities which might be affected by the granting of the certificate. The board may issue a certificate as applied for or issue it for a part only of the authority sought and may attach to the authority granted terms and conditions as in its judgment public convenience and necessity may require. *If the petitioner is seeking authority to operate regular-route transit service wholly within the seven-county metropolitan area with operating assistance provided by the regional transit board, the board shall consider only whether the petitioner is fit and able to perform the proposed service. The operating authority granted to such a petitioner must be the operating authority for which the petitioner is receiving operating assistance from the regional transit board. A carrier receiving operating assistance 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 with operating assistance from the regional transit board.*

The board may grant a temporary certificate, ex parte, valid for a period not exceeding 180 days, upon a showing that no regular route common carrier or petroleum carrier is then authorized to serve on the route sought, that no other petition is on file with the board covering the route, and that a need for the proposed service exists.

A certificate issued to a regular route common carrier or petroleum carrier may be amended by the board on ex parte petition and payment of a \$25 fee to the commissioner, to grant an additional or alternate route if there is no other means of transportation over the proposed additional route or between its termini, and the proposed additional route does not exceed ten miles in length.

Sec. 78. Minnesota Statutes 1982, section 221.295, is amended to read:

221.295 [NOTICE TO (METROPOLITAN TRANSIT COMMISSION) REGIONAL TRANSIT BOARD.]

Notwithstanding any provision of any statute to the contrary, the (METROPOLITAN TRANSIT COMMISSION SHALL) *regional transit board* must be notified by the commissioner of any matter (PERTAINING TO OR) affecting public transit or an existing or proposed transit system within the (TWIN CITIES) *seven-county metropolitan (TRANSIT) area*, which matter is formally or informally before the commissioner or board for action or which is under study, including the initiation

of any request for action or study and prior to any hearings on other proceedings, whether *ex parte* or otherwise. (FURTHER, SUCH) Notification (SHALL) *must* in all cases be given in a manner, at such time, and with such information and data available to the commissioner or board (SO) as to enable the (METROPOLITAN TRANSIT COMMISSION) *regional transit board* to meaningfully evaluate, participate in, and comment upon the matter. The commissioner or board shall not approve, deny, or otherwise attempt to resolve or act upon (ANY SUCH) *the* matter until receipt of the comments and advice of the (METROPOLITAN TRANSIT COMMISSION) *regional transit board* with respect thereto, but if none are received they may act within 30 days after demand (THEREFOR UPON) of the (METROPOLITAN TRANSIT COMMISSION) *regional transit board*, or otherwise by mutual agreement. If the commissioner or board takes action in any way contrary to or different from the comments and advice of the (METROPOLITAN TRANSIT COMMISSION) *regional transit board*, they shall specifically state the reasons and factual data for (SUCH) *the* action.

Sec. 79. Minnesota Statutes 1982, section 239.10, is amended to read:

239.10 [ANNUAL INSPECTION.]

The department shall charge a fee to the owner for the costs of the regular inspection of scales, weights, measures, and weighing or measuring devices. The cost of any other inspection (SHALL) *must* be paid by the owner if the inspection is performed at (HIS) *the owner's* request or if the inspection is made at the request of some other person and the scale, weight, measure, or weighing or measuring device is found to be incorrect. The department may fix the fees and expenses for (ALL) regular inspections and special services, *except that no additional fee may be charged for retail petroleum pumps, petroleum vehicle meters, and petroleum bulk meters that dispense petroleum products for which the petroleum inspection fee required by section 296.13 is collected.* (ALL MONEYS) Money collected by the department for its regular inspections, special services, fees, and penalties (SHALL) *must* be paid into the state treasury and credited to the state general fund.

Sec. 80. Minnesota Statutes 1983 Supplement, section 240.06, subdivision 7, is amended to read:

Subd. 7. [LICENSE SUSPENSION AND REVOCATION.] The commission may revoke a class A license for a violation of law, order, or rule which in the commission's opinion adversely affects the integrity of horse racing in Minnesota, or for an intentional false statement made in a license application, or for a willful failure to pay any money required to be paid by

Laws 1983, chapter 214, and may revoke for failure to perform material covenants or representations made in a license application.

The commission may suspend a class A license for up to one year for a violation of law, order, or rule which in the commission's opinion adversely affects the integrity of horse racing in Minnesota, and may suspend a class A license indefinitely if it determines that the licensee has as an officer, director, shareholder, or other person with a direct, indirect, or beneficial interest a person who is in the commission's opinion inimical to the integrity of horse racing in Minnesota or who cannot be certified under subdivision 1, clause (d).

A license revocation or suspension under this subdivision is a contested case under sections 14.57 to 14.70 of the Administrative Procedure Act, and is in addition to criminal penalties imposed for a violation of law or rule.

Sec. 81. 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. (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.) *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.

Sec. 82. 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. 83. Minnesota Statutes 1982, section 299D.03, subdivision 2, is amended to read:

Subd. 2. [SALARIES.] (1) Each employee other than the chief supervisor, lieutenant colonel, majors, captains, corporals and sergeants hereinafter designated shall be known as patrol troopers.

(2) There may be appointed one lieutenant colonel; and such majors, captains, corporals, sergeants and troopers as the commissioner deems necessary to carry out the duties and functions of the state patrol. Persons in above named positions shall be appointed by law and have such duties as the commissioner may direct and, except for troopers, shall be selected from the patrol troopers, corporals, sergeants, captains, and majors who shall have had at least five years' experience as either patrol troopers, corporals, sergeants, or supervisors.

(3) The salary rates for all state patrol troopers, corporals and sergeants shall be deemed to include \$6 per day reimbursement for shift differential, meal and business expenses incurred by state patrol troopers, corporals and sergeants in the performance of their assigned duties in their patrol areas; business expenses include, but are not limited to: uniform costs, home garaging of squad cars and maintenance of home office.

Sec. 84. Minnesota Statutes 1982, section 299F.63, is amended by adding a subdivision to read:

Subd. 4. [COST OF INSPECTION AND REVIEW.] The state fire marshal shall establish, by rule under section 16A.128, a fee to recover the state share of all costs related to field inspections, investigations of pipeline facilities, plan review, and other duties as provided by sections 299F.56 to 299F.63. Fees collected under this subdivision shall be credited to the general fund.

Sec. 85. Minnesota Statutes 1982, section 340.11, subdivision 11a, is amended to read:

Subd. 11a. [ON-SALE LICENSES TO CERTAIN SPORTS COMMISSIONS.] Notwithstanding any law or municipal charter provision to the contrary, on-sale licenses for the sale of intoxicating liquor may be issued to establishments located on lands owned by the commission created in sections 473.551 to 473.595 and which are used primarily for sports and recreational purposes upon payment of the regular on-sale license fee therefor to the municipality wherein the licensed premises are located. Such licenses shall authorize the sale of intoxicating liquor to club members and guests only. Notwithstanding any other law, or municipal charter provision or ordinance to the contrary, retail "on-sale" licenses permitting the sale of nonintoxicating malt liquors issued to establishments located on lands owned by the commission created in section 473.553 permit the licensees to sell nonintoxicating malt liquors, in addition to other times permitted by law, between the hours of 10:00 a.m. and 12:00 noon on any Sunday on which a sports or other event is scheduled to begin at that location at or before 1:00 p.m. on that day.

Sec. 86. Minnesota Statutes 1982, section 345.47, subdivision 1, is amended to read:

Subdivision 1. Except as provided in (SUBDIVISION) subdivisions 3 and 5, all abandoned property other than money delivered to the (STATE TREASURER) commissioner under sections 345.31 to 345.60 shall within one year after the delivery be sold by him to the highest bidder at public sale in whatever city in the state affords in his judgment the most favorable market for the property involved. The (STATE TREASURER) commissioner may decline the highest bid and reoffer the property for sale if he considers the price bid insufficient. He need not offer any property for sale if, in his opinion, the probable cost of sale exceeds the value of the property.

Sec. 87. Minnesota Statutes 1982, section 345.47, is amended by adding a subdivision to read:

Subd. 5. The commissioner shall provide the Minnesota historical society with an inventory of abandoned property, other than money, six months prior to public sale. The society may select for its collections any items it finds of historical value. The

society shall make its selection before the commissioner appraises or sorts the material for public sale. The society has 90 days from the date of notification by the commissioner to exercise the authority granted by this subdivision.

Sec. 88. Minnesota Statutes 1982, section 345.525, is amended to read:

345.525 [PROPERTY HAVING NO APPARENT COMMERCIAL OR HISTORICAL VALUE.]

(PROPERTY DELIVERED TO THE STATE TREASURER PURSUANT TO CHAPTER 345 WHICH HAS NO APPARENT COMMERCIAL VALUE SHALL BE MADE AVAILABLE FOR INSPECTION BY THE MINNESOTA HISTORICAL SOCIETY TO DETERMINE IF THE PROPERTY HAS ANY HISTORICAL VALUE. IF THE SOCIETY JUDGES ANY PROPERTY TO BE OF HISTORICAL VALUE, THE STATE TREASURER SHALL TURN THE PROPERTY OVER TO THE SOCIETY FOR SAFEKEEPING.) *The commissioner may, in his discretion, withhold the property from sales under this section. If it is determined that property delivered to the (STATE TREASURER) commissioner has no commercial or historical value he may thereafter destroy or otherwise dispose of the property, and in that event no action or proceeding shall be brought or maintained against the state or any officer thereof or against the holder for or on account of any action taken by the (STATE TREASURER) commissioner pursuant to chapter 345 with respect to the property. The (STATE TREASURER) commissioner shall keep a record of all items destroyed under this section, and all items held by the historical society, including the name and address of the owner of the property and the person who delivered the property to him, the date of delivery, a description of the property destroyed and the date of destruction.*

Sec. 89. [349.50] [DEFINITIONS:]

Subdivision 1. [TERMS.] For the purposes of sections 89 to 99, the terms defined in this section have the meanings given them.

Subd. 2. [COMMISSIONER.] "Commissioner" means the commissioner of public safety.

Subd. 3. [DEPARTMENT.] "Department" means the department of public safety.

Subd. 4. [DISTRIBUTOR.] "Distributor" means a person which manufactures, sells, markets, advertises, or otherwise distributes video games of chance.

Subd. 5. [LOCATION AGREEMENT.] "Location agreement" is an agreement between an operator and an owner for the placement of video games of chance for use by the public.

Subd. 6. [OPERATOR.] "Operator" means a person which holds legal title to video games of chance and places them for use by the public pursuant to a location agreement.

Subd. 7. [OWNER.] "Owner" means a person operating a business in which video games of chance are placed for use by the public.

Subd. 8. [VIDEO GAME OF CHANCE.] "Video game of chance" means games or devices that simulate games commonly referred to as poker, blackjack, craps, hi-lo, roulette or other common gambling forms, though not offering any type of pecuniary award or gain to players. The term also includes any video game having one or more of the following characteristics:

(1) it is primarily a game of chance, and has no substantial elements of skill involved;

(2) it awards game credits or replays and contains a meter or device which records unplayed credits or replays and contains a device that permits them to be cancelled.

Subd. 9. [PRIVATE CLUBS.] "Private clubs" are clubs holding club on-sale licenses issued under section 340.11, subdivision 11.

Sec. 90. [349.51] [DISTRIBUTOR AND OPERATOR LICENSES.]

Subdivision 1. [LICENSE REQUIRED.] No person shall engage in the business of a distributor or operator of video games of chance at any place of business without first having received a license from the department to engage in that business at that location.

Subd. 2. [APPLICATION; REQUIREMENTS.] (a) Every application for a license must be made on a form prescribed by the department and must state the name and address of the applicant. If the applicant is a firm, partnership, or association, the application must state the name and address of each of its members. If the applicant is a corporation, the application must state the name and address of each of its officers, the date of incorporation, the address of its principle place of business, the place where the business is to be licensed and business conducted, and information concerning whether or not any officer, director, resident manager, or direct salesman of the ap-

plicant has been convicted of a felony or convicted for a gambling offense within the past five years. The application may contain other information the department requires for licensing purposes.

(b) Every applicant for a license shall be a legal resident or be incorporated within the state of Minnesota prior to the date of application for a distributor or operator license.

(c) Every applicant shall disclose under oath to the commissioner whether or not the applicant has any financial, legal, or other interests in a licensed wholesale liquor or alcoholic beverage distributorship or video game of chance distributorship in another state.

(d) No distributor may also be a wholesale distributor of liquor or alcoholic beverages.

(e) No distributor in this state may also be a distributor in another state, unless the distributor adequately demonstrates that he does not manufacture video games of chance outside of this state for use, sale, or distribution within this state.

Subd. 3. [FEES.] (a) The annual license fee for a distributor license is \$10,000.

(b) The annual license fee for an operator license is \$2,500.

Subd. 4. [DISTRIBUTOR BOND.] An application for a distributor's license must be accompanied by a corporate surety bond issued by a surety licensed to do business in this state, in the sum of \$10,000, conditioned upon the true and faithful compliance by the distributor with all the provisions of the license. The bond required by this subdivision must be kept in full force during the period covered by the license.

Subd. 5. [LICENSE ISSUED.] Upon receipt of the application, the bond in proper form, and payment of the license required by subdivision 3, the department shall issue a license in form as prescribed by the department to the applicant, unless it determines that the applicant is otherwise unqualified. The license permits the applicant to whom it is issued to engage in business as a distributor or operator at the place of business shown in the application. The department must assign a license number to each person licensed at the time the initial license is issued. The license number must be inscribed upon all licenses issued to that distributor or operator.

Sec. 91. [349.52] [VIDEO GAME OF CHANCE LICENSES.]

Subdivision 1. [REQUIREMENTS.] *In addition to a license, an operator must obtain from the commissioner an annual nontransferable license for each video game of chance. The license fee is \$120 per game. The fee must be prorated according to the number of months remaining in the calendar year at the time of the license application.*

Subd. 2. [COLLECTION.] *At the time a video game of chance is sold to an operator, the distributor must collect the license fee specified in subdivision 1. The distributor must affix to each game a stamp containing the operator's license number. All license fees must be given to the state treasurer for deposit in the account created in subdivision 3.*

Subd. 3. [VIDEO GAMING LICENSE ACCOUNT.] *There is created in the state treasury an account to be known as the "video gaming license account." All fees received by the state treasury pursuant to this section must be credited to this account. 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.*

Subd. 4. [LOCAL FEES PROHIBITED.] *A municipality may not impose a fee or tax of any kind on video games of chance.*

Sec. 92. [349.53] [RECORD KEEPING DUTIES OF DISTRIBUTORS.]

A distributor shall keep at each licensed place of business complete and accurate records for that place of business, including invoices of video games of chance held, purchased, manufactured, brought in or caused to be brought in from outside the state, or shipped or transported to operators in this state, and of all sales of video games of chance made. The distributor must also keep adequate records of the names, addresses, and license numbers of operators to whom video games of chance are sold. All books, records, and other papers and documents required by this section to be kept must be preserved for a period of at least one year after the date of the documents, or the date of their entries as they appear in the records, unless the department, in writing, authorizes their destruction or disposal at an earlier date. At any time during usual business hours, the commissioner or his designated representatives may enter any place of business of a distributor without a search warrant and inspect the premises and the records required to be kept under

this section, to determine whether or not all the provisions of this chapter are being fully complied with. If the commissioner or any representative is denied free access or is hindered or interfered with in making an examination, the license of the distributor at the premises is subject to revocation.

Sec. 93. [349.54] [ACCESS TO GAMES.]

The commissioner and his designated representatives must be given access to all video games of chance, whether the games are in the possession of distributors, operators, or owners, upon reasonable notice.

Sec. 94. [349.55] [GAME SPECIFICATIONS.]

No payment may be made directly from any game or in connection with the operation of any device. Each game must contain a random character generator, and any internal meter must be nonresetable. Any game canceling replays or credits must cancel them no more than one at a time.

Sec. 95. [349.56] [LOCATION AGREEMENTS.]

An operator is required to have a location agreement with the owner where the game is placed for use by the public. The location agreement must show that the game is to be placed only in locations permitted by law. The location agreements, together with the other records of the operator, must be accessible to the commissioner and his designated representatives. The operator is required to certify under oath to the department annually the name and address of the location in which each game has been placed and that the games have been placed only in locations permitted by law. Placing a game in an illegal location is grounds for suspension or revocation of the operator's license.

Sec. 96. [349.57] [PLACEMENT LIMITATIONS.]

Subdivision 1. [NUMERICAL.] No more than two video games of chance may be operated in any location.

Subd. 2. [LOCATIONS.] Video games of chance may be operated only at licensed on-sale intoxicating liquor establishments and private clubs.

Sec. 97. [349.58] [PENALTIES.]

A violation of any of the provisions of sections 89 to 96 is punishable as a misdemeanor.

Sec. 98. [349.59] [CONTRABAND.]

Subdivision 1. [PACKAGES DECLARED TO BE CONTRABAND.] The following are declared to be contraband:

(1) *all video games of chance which do not have a licensing stamp affixed to them and all containers that contain contraband video games of chance;*

(2) *all video games of chance to which the commissioner or his designated representatives have been denied access for the inspection of contents. In lieu of seizure, the commissioner or his designated representatives may seal the game to prevent its use until inspection of contents is permitted;*

(3) *all video games of chance at a location at which there is no location agreement in force; and*

(4) *all video games of chance illegally brought into the state.*

Subd. 2. [SEIZURE.] Contraband may be seized by the commissioner or his designated representatives or by any sheriff or other police officer, with or without process, and is subject to forfeiture as provided in subdivision 3.

Subd. 3. [DISPOSITION OF SEIZED PROPERTY.] The person who has seized the property must follow the procedure set forth under section 297A.15, subdivision 4. Whenever the commissioner is satisfied that any person from whom property is seized under this section acting in good faith and without intent to evade the tax imposed by those sections, he shall release the property seized without further legal proceedings.

Sec. 99. [349.60] [CONSTRUCTION; OTHER ACTIONS.]

Subdivision 1. [CONSTRUCTION.] Video games of chance are also governed by sections 349.30 to 349.31 and 609.75 to 609.76.

Subd. 2. [OTHER ACTIONS.] Agencies of government may investigate and prosecute violations of the laws governing video games of chance as well as other laws relating to gambling.

Sec. 100. 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.

Sec. 101. Minnesota Statutes 1982, section 473.121, subdivision 7, is amended to read:

Subd. 7. "Metropolitan commission" means the metropolitan waste control commission (, THE METROPOLITAN TRANSIT COMMISSION,) and other such commissions as the legislature may hereafter designate.

Sec. 102. Minnesota Statutes 1982, section 473.121, subdivision 10, is amended to read:

Subd. 10. "Policy plan" means (THE) *a* long-range comprehensive (PLANS) *plan* of (EACH METROPOLITAN COMMISSION ADOPTED PURSUANT TO SECTION 473.146) *the metropolitan council.*

Sec. 103. Minnesota Statutes 1982, section 473.121, is amended by adding a subdivision to read:

Subd. 11a. "Regional transit board" or "transit board" means the regional transit board created by section 473.373.

Sec. 104. Minnesota Statutes 1982, section 473.121, subdivision 16, is amended to read:

Subd. 16. "Metropolitan transit area" (OR "TRANSIT AREA" OR "MTA") means the metropolitan (TRANSIT) area (ESTABLISHED IN SECTION 473.403).

Sec. 105. Minnesota Statutes 1982, section 473.121, subdivision 18, is amended to read:

Subd. 18. "Operator" means any person engaged or seeking to engage in the business of providing *regular route* public transit.

Sec. 106. Minnesota Statutes 1982, section 473.121, subdivision 19, is amended to read:

Subd. 19. "Public transit" or "transit" (MEANS TRANSPORTATION OF PASSENGERS FOR HIRE WITHIN THE TRANSIT AREA BY MEANS OF A MOTOR VEHICLE OR OTHER MEANS OF CONVEYANCE BY ANY PERSON OPERATING AS A COMMON CARRIER ON FIXED ROUTES AND SCHEDULES. "PUBLIC TRANSIT" SHALL NOT INCLUDE TRANSPORTATION OF CHILDREN TO OR FROM SCHOOL OR OF PASSENGERS BETWEEN A COMMON CARRIER TERMINAL STATION AND A HOTEL OR MOTEL, TRANSPORTATION BY A COMMON CARRIER RAILROAD OR COMMON CARRIER RAILROADS OR BY TAXI, TRANSPORTATION FURNISHED BY A PERSON

SOLELY FOR HIS OR ITS EMPLOYEES OR CUSTOMERS, OR PARATRANSIT) *has the meaning given in section 174.22, subdivision 7.*

Sec. 107. Minnesota Statutes 1982, section 473.121, is amended by adding a subdivision to read:

Subd. 20a. "Regular route transit" has the meaning given in section 174.22, subdivision 8.

Sec. 108. Minnesota Statutes 1982, section 473.146, subdivision 3, is amended to read:

Subd. 3. [TRANSPORTATION POLICY PLAN.] The council shall adopt a transportation policy plan as a part of its comprehensive development guide as *provided* in subdivisions 1 and 2 (**WHICH SHALL**). *The regional transit board shall perform the functions and have the responsibility and authority provided for a metropolitan commission. The policy plan must include policies (,) relating to all transportation forms (. **THE PLAN SHALL**) *and be designed to promote the legislative determinations, policies and (PURPOSES) goals set forth in section (473.-402 TO THE END OF PROVIDING THE TRANSIT AREA AN INTEGRATED AND EFFICIENT TRANSPORTATION SYSTEM) 473.371. In addition to the requirements of subdivision 1 regarding the contents of the policy plan, the transit elements of the plan must include the following:**

(1) *a statement of service objectives, policies, and standards that should govern the distribution, coordination, and general location of facilities, services, and service areas to be planned, deployed, or developed by or under the direction or auspices of the transit board;*

(2) *a general statement of timing and priorities in the planning, deployment, and development of services;*

(3) *a statement of the policies and standards that should govern the levels of public expenditure, both capital and operating, for various services and service areas;*

(4) *a statement of the policies and standards that should govern total annual regional funding levels, the sources of funds, and the distribution of funds among the facilities, services, and service areas; and*

(5) *a description of the contents that should be included in the implementation plans prepared by the transit board.*

In addition to the requirements of subdivisions 1 and 2 regarding the use of the expertise of the (**METROPOLITAN TRANSIT COMMISSION**) *affected agency, the state transportation de-*

partment, *metropolitan transit commission*, and affected counties and municipalities may provide (SUCH) technical assistance (AS MAY BE) requested by the council. *The council shall amend its policy plan to conform to the requirements of this subdivision by January 1, 1986.*

Sec. 109. Minnesota Statutes 1982, section 473.146, subdivision 4, is amended to read:

Subd. 4. [TRANSPORTATION PLANNING.] The metropolitan council (SHALL BE) *is* the designated planning agency for any long-range comprehensive transportation planning required by Section 134 of the Federal Highway Act of 1962, Section 4 of Urban Mass Transportation Act of 1964 and Section 112 of Federal Aid Highway Act of 1973 and (SUCH) other federal transportation laws (AS MAY HEREINAFTER BE ENACTED). The council shall assure administration and coordination of transportation planning with appropriate state, regional and other agencies, counties, and municipalities, and (TOGETHER WITH THE METROPOLITAN TRANSIT COMMISSION) shall establish (SUCH) an advisory body consisting of (CITIZEN REPRESENTATIVES, COMMISSION, MUNICIPALITY, COUNTY AND APPROPRIATE STATE AGENCY) representatives of *the regional transit board, citizens, municipalities, counties, and state agencies* in fulfillment of the planning responsibilities of the council and the (COMMISSION) *transit board.*

Sec. 110. Minnesota Statutes 1982, section 473.164, is amended to read:

473.164 [PAYMENT OF METROPOLITAN COUNCIL COSTS.]

Subdivision 1. The metropolitan parks and open space commission, the (METROPOLITAN) *regional transit (COMMISSION) board*, the metropolitan waste control commission, and the metropolitan airports commission shall annually reimburse the council for costs incurred by the council in the discharge of its responsibilities relating to the commission *or board*. The costs may be charged against any revenue sources of the commission *or board* as determined by the commission *or board*.

Subd. 2. On or before May 1 of each year, the council shall transmit to each commission *or board* an estimate of the costs which the council will incur in the discharge of its responsibilities related to the commission *or board* in the next budget year including, without limitation, costs in connection with the preparation, review, implementation and defense of plans, programs and budgets of the commission *or board*. Each commission *or board* shall include the estimates in its budget for the next budget year and may transmit its comments concerning the esti-

mated amount to the council during the budget review process. Prior to December 15 of each year, the amount budgeted by each commission or board for the next budget year may be changed following approval by the council. During each budget year, the commission or board shall transfer budgeted funds to the council in advance when requested by the council.

Subd. 3. At the conclusion of each budget year, the council, in cooperation with each commission or board, shall adopt a final statement of costs incurred by the council for each commission or board. Where costs incurred in the budget year have exceeded the amount budgeted, each commission or board shall transfer to the council the additional moneys needed to pay the amount of the costs in excess of the amount budgeted, and shall include a sum in its next budget. Any excess of budgeted costs over actual costs may be retained by the council and applied to the payment of budgeted costs in the next year. Costs incurred during 1976 shall be reimbursed to the council (BY EACH COMMISSION) on or before December 31, 1976 following receipt and in accordance with a statement of costs transmitted by the council. Notwithstanding the provisions of this section, after July 1, 1981, the metropolitan council shall not charge the (METROPOLITAN) regional transit (COMMISSION) board for any costs incurred by the council for the study of light rail transit unless the study plan and budget have been approved by the (METROPOLITAN TRANSIT COMMISSION) board.

Sec. 111. Minnesota Statutes 1982, section 473.167, subdivision 1, is amended to read:

Subdivision 1. [CONTROLLED ACCESS HIGHWAYS: COUNCIL APPROVAL.] Before acquiring land for or constructing a controlled access highway in the area, (HEREINAFTER A PROJECT,) the state transportation department or local government unit proposing (SUCH) the acquisition or construction shall submit to the council a statement describing the proposed project. The statement (SHALL) *must* be in the form and detail required by the council. Immediately upon receipt of the statement, the council shall transmit a copy to the (METROPOLITAN) regional transit (COMMISSION) board, which shall review and evaluate the project in relationship to the (DEVELOPMENT PROGRAM) board's *implementation plan* and report its recommendations and comments to the council. The council shall also review the statement to ascertain its consistency with its policy plan and the development guide. No (SUCH) project may be undertaken unless the council determines that it is consistent with the policy plan and (DEVELOPMENT PROGRAM) *implementation plan*. This approval (SHALL BE) *is* in addition to the requirements of any other statute, ordinance or regulation.

Sec. 112. Minnesota Statutes 1982, section 473.168, subdivision 2, is amended to read:

Subd. 2. The metropolitan council in consultation with the (METROPOLITAN) *regional* transit (COMMISSION) *board* may require that any freeway constructed in the metropolitan area on which actual construction has not been commenced by April 12, 1974 (SHALL) include provisions for exclusive lanes for buses and, as the council may determine, other forms of multi-passenger transit. The council, in making its determination, must demonstrate that the exclusive lanes are necessary to implement the transportation policy plan of the development guide.

Sec. 113. 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. 114. 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.

Sec. 115. [473.371] [POLICY; GOALS.]

Subdivision 1. [POLICY.] The legislature finds that, for the provision of essential mobility and transportation options in the metropolitan area, for the encouragement of alternatives to the single-occupant vehicle and for the development of transportation service designed to meet public needs efficiently and effectively, there is a need for the creation of regional transit programs and agencies with the powers and duties prescribed by law.

Subd. 2. [GOALS.] The goals of sections 473.371 to 473.449 are as follows:

(a) to provide, to the greatest feasible extent, a basic level of mobility for all people in the metropolitan area;

(b) to arrange to the greatest feasible extent for the provision of a comprehensive set of transit and paratransit services to meet the needs of all people in the metropolitan area;

(c) to cooperate with private and public transit providers to assure the most efficient and coordinated use of existing and planned transit resources; and

(d) to maintain public mobility in the event of emergencies or energy shortages.

Sec. 116. [473.373] [REGIONAL TRANSIT BOARD.]

Subdivision 1. [ESTABLISHMENT.] To carry out the policy and achieve the goals of section 473.371 there is established a regional transit board as a public corporation and a political subdivision of the state. Except as provided in this section, the board is organized, structured, and administered as provided for metropolitan commissions in section 473.141.

Subd. 2. [MEMBERSHIP.] The transit board consists of 14 members appointed by the council plus a chair appointed by the

governor. One member must be appointed by the council from each of the following districts:

- (1) District A, consisting of council district 1;*
- (2) District B, consisting of council district 2;*
- (3) District C, consisting of council district 3;*
- (4) District D, consisting of council district 4;*
- (5) District E, consisting of council district 5;*
- (6) District F, consisting of council district 6;*
- (7) District G, consisting of council district 8;*
- (8) District H, consisting of council district 10;*
- (9) District I, consisting of council district 11;*
- (10) District J, consisting of council district 12;*
- (11) District K, consisting of council district 15;*
- (12) District L, consisting of council districts 7 and 9;*
- (13) District M, consisting of council district 13 and that part of council district 14 within Carver and Hennepin counties;*
- (14) District N, consisting of council district 16 and that part of council district 14 within Dakota and Scott counties.*

Subd. 3. [APPOINTMENTS.] 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. Appointments by the council are not subject to the advice and consent of the senate. The council shall by resolution, after a public hearing on the subject, provide the governor with a list of nominees for the position of chair.

Subd. 4. [TERMS.] The initial terms of members and the chair commence on the first day after July 1, 1984, that the chair and at least seven other members have been appointed and qualified. The terms of members and the chair are as follows: members representing commission districts, B, E, F, J, K, L, and N, and the chair of the board, for terms ending the first Monday in January of the year ending in the numeral "7"; members representing commission districts A, C, D, G, H, I, and M, for terms ending the first Monday in January of the year ending in the numeral "9."

Subd. 5. [CHAIR.] The duties of the chair are:

(a) to preside over all board meetings at which he is in attendance;

(b) to serve as the principal transit spokesman within the metropolitan area before the legislature, other state and regional agencies, local units of government, and the general public;

(c) to present to the governor and the legislature, after approval by the council, the board's financial plan for public transit in the metropolitan area;

(d) to convene and preside at an annual regional transit conference of transit providers, operators, and users; and

(e) to perform other duties assigned by law or by the board.

Subd. 6. [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 7.

Subd. 7. [EMPLOYEES.] The board has the authority of a chief administrator to make all decisions on the appointment, promotion, demotion, suspension, and removal of all subordinate officers and regular employees of the board. The board may not take any action inconsistent with its personnel code. The board may authorize the chair or executive director to recommend employment decisions. The board shall act within 30 days on employment decisions recommended by the chair or executive director.

Subd. 8. [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.

Sec. 117. [473.375] [POWERS OF BOARD.]

Subdivision 1. [GENERAL.] The transit board has the power and duties imposed by law. The exercise of any powers by the board must be consistent with the exercise by the metropolitan council of any of its powers.

Subd. 2. [ACTIONS.] The board may sue and be sued.

Subd. 3. [CONTRACTS.] The board may enter into contracts necessary to carry out its responsibilities.

Subd. 4. [PROPERTY.] The board may acquire by purchase, lease, gift, or grant property and interests in property necessary for the accomplishment of its purposes and may sell or otherwise dispose of property which it no longer requires. The board may not rent or lease any premises from a recipient of financial assistance from the board.

Subd. 5. [INSURANCE.] The board may require any employee to obtain and file with it an individual bond or fidelity insurance policy. It may procure insurance in the amounts it deems necessary against the liability of the board or its officers and employees for personal injury or death and property damage or destruction, with the force and effect stated in chapter 466, and against risks of damage to or destruction of any of its facilities, equipment, or other property.

Subd. 6. [INVESTIGATIONS.] When necessary and proper to the performance of its duties, the board may enter in a reasonable manner upon any premises for the purpose of making any reasonably necessary or proper investigations and examinations. The entry is not a trespass. The board is liable for any actual and consequential loss, injury, or damage from the entry. When necessary and proper to the performance of its duties, the board or its authorized agents may require the production of accounts, books, records, memoranda, correspondence, and other documents and papers of a person receiving financial assistance from the board, may inspect and copy them, and may have access to and may inspect the lands, buildings, facilities, or equipment of the person.

Subd. 7. [TAXES.] The board may levy taxes as provided in section 473.446.

Subd. 8. [GIFTS; GRANTS.] The board may apply for, accept and disburse gifts, grants, or loans from the United States, the state, or from any person on behalf of itself or any of its contract recipients, for any of its purposes. It may enter into an agreement required for the gifts, grants, or loans and may hold, use, and dispose of money or property received therefrom according to the terms of the gift, grant, or loan. When the board

has adopted an approved implementation plan and has certified to the governor that it is ready to receive federal funds, the governor shall take whatever steps are necessary to designate the board as a recipient of federal transit assistance for the metropolitan area.

No political subdivision within the metropolitan area may apply for federal transit assistance unless its application has been submitted to and approved by the board.

Subd. 9. [ADVISORY COMMITTEES.] The board may establish one or more advisory committees composed of and representing transit providers, transit users, and local units of government to advise it in carrying out its purposes. The members of advisory committees serve without compensation.

Subd. 10. [RESEARCH.] The board may conduct research studies and programs or may contract with other persons for research studies and programs. It may advise and assist the metropolitan council and other government units on transportation issues within its jurisdiction.

Subd. 11. [RIDESHARING.] Upon certification by the board, after June 30, 1985, that it has adopted an approved interim implementation plan and is ready to assume responsibilities for the program, the board shall assume the responsibilities identified by the board that are imposed on the commissioner of transportation, the metropolitan council, or the transit commission pursuant to section 174.257 and other applicable provisions of law for the establishment and implementation of a ridesharing program in the metropolitan area, except for the statewide vanpool leasing program conducted by the commissioner. The commissioner, the council, and the commission shall cooperate with the board in the transfer of these duties and in the conduct of ridesharing activities in areas where the commissioner's programs and the board's program overlap. The board shall establish a rideshare advisory committee to advise it in carrying out the program. The board may contract for services in operating the program.

Subd. 12. [ASSISTANCE.] The board shall offer, use, and apply its services to assist and advise transit providers in the metropolitan transit area in the planning, promotion, development, operation, and evaluation of programs and projects which are undertaken or proposed to be undertaken by contract with the board, and shall seek out and select recipients of this assistance and advice.

Subd. 13. [FINANCIAL ASSISTANCE.] The board may provide financial assistance to the commission and other providers as provided in sections 473.371 to 473.449 in furtherance of and in conformance with the implementation plan of the board.

Subd. 14. [COORDINATION.] The board shall coordinate transit operations within the metropolitan area and shall establish a transit information program to provide transit users with accurate information on transit schedules and service.

Subd. 15. [PERFORMANCE STANDARDS.] The board may establish performance standards for recipients of financial assistance.

Subd. 16. [REPORT.] The board shall annually submit a report to the metropolitan council, the governor, and the legislature detailing its activities and finances for the previous year.

Sec. 118. [473.377] [IMPLEMENTATION PLAN.]

Subdivision 1. [REQUIREMENT.] The transit board shall adopt a transit service implementation plan describing the planning, functions, and activities to be performed by or under the direction or auspices of the board in implementing the policy plan adopted by the council pursuant to section 473.146. The plan must cover at least the five-year period commencing with the first calendar year beginning after the plan's approval, or a longer period prescribed by the council.

Except as otherwise provided in this section, the implementation plan must be prepared, submitted for review by the council, adopted, and implemented in the same manner, with the same requirements and restrictions, and to the same effect as provided for development programs in section 473.161. The board shall prepare an implementation plan meeting the requirements of this section and submit the plan to the council by August 1, 1986, and thereafter in even-numbered years at a time prescribed by the council.

Subd. 2. [CONTENTS.] The implementation plan of the board must contain at least the following elements:

(a) a development program meeting the requirements of section 473.161, subdivision 1;

(b) a description of the needs for services, based upon detailed surveys and analysis of service areas and markets identified in the council's policy plan;

(c) a detailed statement of service objectives, including service areas and markets, changes in existing service, deployment of new service, the distribution and coordination of services, and other similar matters;

(d) a detailed description of services and facilities planned to meet the needs and service objectives, along with a statement

of priorities, timing, proposed delivery methods and providers, and performance standards;

(e) a schedule of expected levels of public expenditure, both capital and operating, for the services and facilities planned;

(f) a schedule showing the expected sources of funds, including proceeds of bonds of the board and the transit commission, areas and levels of taxes, user charges, and state and federal subsidies; and

(g) a plan and schedule showing the distribution of funds among various services, service areas and markets, and providers.

Subd. 3. [INTERIM IMPLEMENTATION PLAN.] The board shall prepare an interim implementation plan, for calendar years 1985, 1986, and 1987. The board shall submit the interim plan to the council by December 1, 1984. The interim plan should be in the scope and detail that the board deems appropriate and practicable, except that the plan must contain a capital development program meeting the requirements of subdivision 2, clause (a), and schedules and plans meeting the requirements of subdivision 2, clauses (e), (f), and (g).

Sec. 119. [473.38] [BUDGET; REGIONAL TRANSIT BOARD.]

Subdivision 1. [REQUIREMENT.] The regional transit board shall prepare, submit for review, adopt, and implement budgets and conduct its financial affairs in the same manner, with the same requirements and restrictions, and to the same effect as provided in section 473.163, subdivisions 1 to 4, except as otherwise provided in this section.

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 473.377, 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.

Sec. 120. [473.382] [LOCAL PLANNING AND DEVELOPMENT PROGRAM.]

In preparing and amending its implementation plan pursuant to section 473.377, the transit board shall establish a program to ensure participation by representatives of local government units and the coordination of the planning and development of transit by local government units. The board shall encourage the establishment of local transit planning and development boards by local governments for the purpose of:

(a) *assisting and advising the transit board in preparing the implementation plan, including the identification of service needs and objectives;*

(b) *preparing, or advising and assisting local units of government in preparing the transit study and service plan required by section 473.384;*

(c) *preparing or advising the transit board in the review of applications for assistance under section 473.384.*

The board may provide local boards with whatever assistance it deems necessary and appropriate.

Sec. 121. [473.384] [CONTRACTS.]

Subdivision 1. [CONTRACTS REQUIRED.] The transit board shall make contracts with eligible recipients for financial assistance to transit service within the metropolitan area. The board may not give financial assistance to a transit provider other than the commission without first having executed a contract. The provisions of this section do not apply to contracts made under sections 473.386 and 473.388.

Subd. 2. [ELIGIBILITY.] To be eligible to receive financial assistance by contract under this section a recipient must be:

(a) *a county, statutory or home rule charter city or town or combination thereof, or public authority organized and existing pursuant to chapter 398A, providing financial assistance to or providing or operating public transit; or*

(b) *a private provider of public transit.*

Subd. 3. [APPLICATIONS.] The board shall establish procedures and standards for review and approval of applica-

tions for financial assistance under this section consistent with its approved implementation plan. An applicant must provide the board with the financial and other information the board requires to carry out its duties. The board may specify procedures, including public hearing requirements, to be followed by applicants that are cities, towns, or counties or combinations thereof in conducting transit studies and formulating service plans under subdivisions 4 and 5.

Subd. 4. [TRANSIT STUDY.] The board shall require that prior to applying for financial assistance by contract under clause (a) of subdivision 2, the applicant must prepare and submit a transit study which includes the following elements:

(a) a determination of existing and future transit needs within the area to be served, and an assessment of the adequacy of existing service to meet the needs;

(b) an assessment of the level and type of service required to meet unmet needs;

(c) an assessment of existing and future resources available for the financing of transit service; and

(d) the type or types of any new government arrangements or agreements needed to provide adequate service.

The transit study for any applicant may be done by the board.

Subd. 5. [SERVICE PLAN.] The board shall, before making a contract with an eligible recipient, require the submission of a service plan which includes the following elements:

(a) a description of the service proposed for financial assistance, including vehicles, routes, and schedules;

(b) an assessment of the extent to which the proposed service meets the needs as determined by the transit study;

(c) a description of the contract administration and review process if the operation of the proposed service is to be done by a private contractor;

(d) a description of the amount required to establish and operate the proposed service and the proposed sources of the required amount including operating revenue, other local sources, and assistance from the board and from federal sources;

(e) the fare structure of the proposed service; and

(f) projections of usage of the system.

The board may specify procedures, including public hearing requirements, to be followed by applicants that are cities, towns, or counties or combinations thereof in conducting transit studies and formulating service plans.

Subd. 6. [FINANCIAL ASSISTANCE FOR CERTAIN PROVIDERS.] The board shall provide financial assistance to recipients who were receiving assistance by contract with the commissioner of transportation under Minnesota Statutes 1982, section 174.24, subdivision 3 on the effective date of this section so that the percentage of total operating cost, as defined by the board, paid by the recipient from all local sources of revenue, including operating revenue, does not exceed the percentage for of transportation under his final contract with the recipient. The board may include funds received under section 473.446, subdivision 1a, as a local source of revenue. The remainder of the total operating cost will be paid by the board less all assistance received by the recipient for that purpose from any federal source.

If a recipient informs the board in writing prior to the distribution of financial assistance for any year that paying its designated percentage of total operating cost from local sources will cause undue hardship, the board may adjust the percentage as it deems equitable. If for any year the funds available to the board are insufficient to allow the board to pay its share of total operating cost for those recipients, the board shall reduce its share in each classification to the extent necessary.

Subd. 7. [MTC IMPACT ASSESSMENT.] Prior to entering into a contract for operating assistance with a recipient other than the transit commission the board shall evaluate the effect, if any, of the contract on the ridership, routes, schedules, fares, and staffing levels of the existing and proposed service provided by the commission. A copy of the assessment must be provided to the commission. The board may enter into the contract only if it determines that the service to be assisted under the contract will not impose an undue hardship on the ridership or financial condition of the commission, cause the dismissal of persons that are employed by the commission, or reduce the total level of service in the metropolitan area provided by the commission.

Subd. 8. [PARATRANSIT CONTRACTS.] In executing and administering contracts for paratransit projects, the board has the powers and duties given to the commissioner of transportation in section 174.255, subdivisions 1 and 2 relating to handicapped accessibility and insurance coverage. The provisions of section 174.255, subdivision 3, apply to paratransit projects which receive assistance by contract with the board.

Subd. 9 [ASSUMPTION OF CONTRACTS.] The board shall certify to the commissioner of transportation when it has adopted an approved interim implementation plan and is ready to assume responsibility for administering contracts made by the commis-

sioner with recipients in the metropolitan area under section 174.24. On receiving the certification the commissioner shall transfer to the board from funds appropriated to him an amount sufficient to permit the board to pay all state financial assistance contracted for and shall make no further contracts under section 174.24, subdivision 3, with recipients in the metropolitan area. On receipt of this amount by the board the contracts so assumed become a responsibility of the board.

Sec. 122. [473.386] [SPECIAL TRANSPORTATION SERVICE.]

Subdivision 1. [PROJECT OBJECTIVES.] The transit board shall implement a project to coordinate special transportation service in the metropolitan area. The project has the following objectives:

(a) to provide greater access to transportation for the elderly, handicapped, and others with special transportation needs in the metropolitan area;

(b) to develop an integrated system of special transportation service providing transportation tailored to meet special individual needs in the most cost-efficient manner; and

(c) to use existing public and private providers of service wherever possible, to supplement rather than replace existing service, and to increase the productivity of all special transportation vehicles available in the area.

Subd. 2. [FINANCING; IMPLEMENTATION; MANAGEMENT AND ADVISORY GROUPS.] The board shall contract for services necessary for the project's operation. All transportation service provided through the project must be provided under a contract between the board and the provider which specifies the service to be provided and the rates for providing it. The board shall establish a committee to set management policies for the project. The management policy committee must include the chairman of the board or his designee, representatives of persons contracting to provide services for the project, representatives of users of the service, and representatives of appropriate agencies. The meetings of the management policy committee are public and minutes of all meetings must be taken, preserved, and made available for public inspection. The board shall establish an advisory task force of individuals representing the elderly, handicapped, and other users of service provided by the project to advise the management policy committee.

Subd. 3. [DUTIES OF BOARD.] In implementing the project the board shall:

(a) encourage participation in the project by public and private providers of special transportation service currently receiving capital or operating assistance from a public agency;

(b) contract with public and private providers that have demonstrated their ability to effectively provide service at a reasonable cost;

(c) encourage individuals using service provided through the project to use the type of service most appropriate to their particular needs;

(d) ensure that all persons providing service through the project receive equitable treatment in the allocation of the ridership;

(e) encourage shared rides to the greatest extent practicable;

(f) encourage public agencies that provide transportation to eligible individuals as a component of human services and educational programs to coordinate with the project and to allow reimbursement for services provided through the project at rates that reflect the public cost of providing those services; and

(g) establish criteria to be used in determining individual eligibility for special transportation services.

Subd. 4. [COORDINATION REQUIRED.] The board may not grant any financial assistance to any recipient that proposes to use any part of the grant to provide special transportation service in the metropolitan area unless the program is coordinated with the project in the manner determined by the board.

Subd. 5. [EQUITABLE ALLOCATION AND ANNUAL REALLOCATION.] The board shall distribute all available funding under this section in a manner designed to achieve an equitable allocation of special transportation services based on the proportion of the number of elderly, handicapped, disabled, or economically disadvantaged individuals with special transportation needs who actually use the special transportation service.

Subd. 6. [OPERATING AND SERVICE STANDARDS.] A vehicle providing special transportation service which is subject to the operating standards adopted pursuant to section 174.-30 may not be allowed to provide service through the project unless a current certificate of compliance has been issued to the vehicle. A person operating or assisting the operation of a vehicle may leave the vehicle to enter premises in order to help a passenger who does not require emergency ambulance service. Operators and assistants shall provide the help necessary for door-through-door service, including help in entering and leaving the vehicle and help through the exterior entrance and over any exterior steps at either departure or destination buildings, provided that both the steps and the wheelchair are in good re-

pair. If an operator or assistant refuses help because of the condition of the steps or the wheelchair, the operator of the service shall send letters to the board and the person denied service describing the corrective measures necessary to qualify for service.

Subd. 7. [ASSUMPTION OF PROGRAM.] The board shall certify to the commissioner of transportation when it has adopted an approved interim implementation plan and is ready to assume responsibility for the special transportation service project administered by the commissioner under section 174.31. On receiving the certification the commissioner shall transfer to the board the unexpended balance of the funds appropriated to him by law for operation of the special transportation service coordination project under Minnesota Statutes 1982, section 174.31, and shall take no further actions under that section. On receipt of this amount the project becomes a responsibility of the board.

Sec. 123. [473.388] [REPLACEMENT SERVICE PROGRAM.]

Subdivision 1. [PROGRAM ESTABLISHED.] A replacement service program is established to continue the metropolitan transit service demonstration program established in Minnesota Statutes 1982, section 174.265, as provided in this section.

Subd. 2. [REPLACEMENT SERVICE; ELIGIBILITY.] The transit board may provide assistance under the program to a statutory or home rule charter city or town or combination thereof, that:

- (a) is located in the metropolitan transit taxing district;
- (b) is not served by the transit commission or is served only with transit commission bus routes which begin or end within the applying city or town or combination thereof; and
- (c) has fewer than four scheduled runs of metropolitan transit commission bus service during off-peak hours defined in section 473.408, subdivision 1.

Eligible cities or towns or combinations thereof may apply on behalf of a transit operator with whom they propose to contract for service.

The board may not provide assistance under this section to a statutory or home rule charter city or town unless the city or town was receiving assistance under Minnesota Statutes 1982, section 174.265 or had submitted an application or a letter of intent to apply for assistance under that section by July 1, 1984.

Subd. 3. [APPLICATION FOR ASSISTANCE.] An application for assistance under this section must:

(a) describe the existing service provided to the applicant by the transit commission, including the estimated number of passengers carried and the routes, schedules, and fares;

(b) describe the transit service proposed for funding under the demonstration program, including the anticipated number of passengers and the routes, schedules, and fares; and

(c) indicate the total amount of available local transit funds, the portion of the available local transit funds proposed to be used to subsidize replacement services, and the amount of assistance requested for the replacement services.

Subd. 4. [FINANCIAL ASSISTANCE.] The board may grant the requested financial assistance if it determines that the proposed service is consistent with the approved implementation plan and is intended to replace the service to the applying city or town or combination thereof by the transit commission and that the proposed service will meet the needs of the applicant at least as efficiently and effectively as the existing service.

The amount of assistance which the board may provide under this section may not exceed the sum of:

(a) the portion of the available local transit funds which the applicant proposes to use to subsidize the proposed service; and

(b) an amount of financial assistance bearing an identical proportional relationship to the amount under clause (a) as the total amount of financial assistance to the transit commission bears to the total amount of taxes collected by the board under section 473.446. The board shall pay the amount to be provided to the recipient from the assistance the board would otherwise pay to the transit commission.

For purposes of this section "available local transit funds" means 90 percent of the tax revenues which would accrue to the board from the tax it levies under section 473.446 in the applicant city or town or combination thereof.

Subd. 5. [OTHER ASSISTANCE.] A city or town receiving assistance under this section may also receive assistance from the board under section 473.384. In applying for assistance under that section an applicant must describe the portion of the available local transit funds which are not obligated to subsidize replacement service and which the applicant proposes to use to subsidize additional service. An applicant which has exhausted its available local transit funds may use any other local subsidy funds to complete the required local share.

Subd. 6. [ASSUMPTION OF PROGRAM.] The board shall certify to the commissioner of transportation when it has adopted an approved interim implementation plan and is ready to assume responsibility for the metropolitan transit service demonstration program administered by the commissioner under Minnesota Statutes 1982, section 174.265. On receipt of the certification by the commissioner he shall make no further contracts under that program and shall assign all contracts then in effect under that program to the board, and the contracts at that time become obligations of the board.

Sec. 124. [473.39] [BORROWING MONEY.]

Subdivision 1. [GENERAL AUTHORITY.] The transit board if authorized by vote of at least two-thirds of all its members, may borrow money on terms, and in the manner it deems proper. The board may not issue obligations pursuant to this subdivision in excess of the amount specifically authorized by law. A loan made under this section and interest thereon shall be payable from collections of any funds of the board not otherwise appropriated by law and not otherwise pledged by resolution of the board. The loans may be evidenced by certificates of indebtedness, bonds, or other obligations, to which the board may pledge money received upon collection of the tax authorized by section 473.446 or received as proceeds of bonds issued under this section or any other revenue of the board. The loans may also be secured by a security interest in property acquired in whole or in part from their proceeds. The obligations are not a charge, lien, or encumbrance upon and may not be enforced against any property of the board except tax collections and bond proceeds specifically pledged by the board and security interests granted by it. In the enforcement or collection of the obligations, exercise of the taxing power of the board may not be required unless the board has specifically pledged tax levies or tax collections authorized by section 473.446 to the payment of the obligations. The obligations are not a debt of the state or any municipality or political subdivision within the meaning of any debt limitation or requirement pertaining to those entities. Neither the state nor any municipality or political subdivision except the board, nor any member or officer or employee of it is liable on the obligations.

Subd. 2. [LEGAL INVESTMENTS.] Certificates of indebtedness, bonds, or other obligations issued by the board to which tax levies have been pledged pursuant to section 473.446, are proper for investment of any funds by a bank, savings bank, savings and loan association, credit union, trust company, insurance company, or public or municipal corporation, and may be pledged by any bank, savings bank, savings and loan association, credit union, or trust company as security for the deposit of public money.

Subd. 3. [TEMPORARY BORROWING.] After the board has adopted a budget, the board may borrow money in amounts it deems necessary, which may be used or expended by the board for any purpose, including but not limited to current expenses, capital expenditures, and the discharge of any obligation or indebtedness of the board. The indebtedness 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 their issuance. The resolution must set forth the form and manner of execution of the notes and must contain other terms and conditions the board deems necessary or desirable to provide security for the holders of the notes. The note or notes are payable from committed or appropriated money from taxes, grants or loans of the state or federal government made to the board, or other revenues of the board, 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 must be paid 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 board lawfully available therefor.

Sec. 125. [473.394] [BOARD EXEMPT FROM TAXATION.]

The properties, moneys, and other assets of the transit board, all revenues or other income of the board, 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.

Sec. 126. Minnesota Statutes 1982, section 473.404, is amended to read:

473.404 [METROPOLITAN TRANSIT COMMISSION (; CREATION AND COMPOSITION).]

Subdivision 1. [ESTABLISHMENT.] There is (HEREBY) created a metropolitan transit commission (FOR THE METROPOLITAN AREA, COMPOSED OF NINE MEMBERS, HEREIN CALLED COMMISSIONERS OR MEMBERS, WHICH COMMISSION SHALL BE ORGANIZED, STRUCTURED AND ADMINISTERED AS PROVIDED IN SECTIONS 473.141 AND 473.401 TO 473.451).

Subd. 2. [MEMBERSHIP.] The transit commission consists of three members appointed by the transit board. One member must be a resident of the city of Minneapolis, one must be a resident of the city of St. Paul, and one must reside in the service area of the commission outside of Minneapolis and St. Paul. Appointments are not subject to the advice and consent of the senate.

Subd. 3. [TERMS.] The term of each member of the commission is three years and until a successor is appointed and qualified. The initial terms of members commence on the first day after August 1, 1984, that all three members have been appointed and qualified. One member must be appointed to an initial term of one year, one to an initial term of two years, and one to an initial term of three years. The terms of members of the transit commission appointed and serving on August 1, 1984, pursuant to Minnesota Statutes 1982, section 473.141, expire on the day that the terms of members appointed pursuant to this section commence.

Subd. 4. [CHAIR.] The commission shall annually elect a member to serve as the chair of the commission for a term of one year. The chair shall preside at all meetings of the commission, if present, and shall perform all other duties assigned to him by the commission or by law. The chair may call special meetings of the commission.

Subd. 5. [QUALIFICATION.] Each member of the commission must have management experience. A member shall not during his term of office be a member of the metropolitan council, the regional transit board, the metropolitan waste control commission, the metropolitan airports commission, the metropolitan sports facilities commission, or any other independent regional commission, board, or agency, or hold any judicial office. Each member shall qualify by taking and subscribing to the oath of office prescribed by the Minnesota Constitution, article 5, section 5. The oath, duly certified by the official administering it, must be filed with the metropolitan council.

Subd. 6. [REMOVAL; VACANCIES.] Members may be removed by the council only for cause in the manner specified in chapter 351. If the office of a member becomes vacant, under the conditions specified in chapter 351, the vacancy must be filled in the same manner in which the appointment to that office was made.

Subd. 7. [COMPENSATION.] Each member must be compensated as provided in section 473.141, subdivision 7.

Subd. 8. [ORGANIZATION.] The commission shall be organized into an operations division and an administration and operations planning division. The head of each division shall report to the chief administrator.

Subd. 9. [ADMINISTRATION.] The commission must be administered as provided in section 473.141, subdivisions 8, 9, 10, 11, 12, 13, and 14, except as otherwise provided in sections 473.404 to 473.449.

Sec. 127. Minnesota Statutes 1982, section 473.405, is amended to read:

473.405 [(OPERATION) POWERS.]

Subdivision 1. [(LEGAL STATUS;) GENERAL (POWERS).] *The transit commission has the powers and duties prescribed by sections 473.404 to 473.449 and all powers necessary or convenient to discharge its duties.*

Subd. 2. [LEGAL STATUS.] ((A)) The (TRANSIT AREA, WITH THE) commission (AS ITS GOVERNING BODY, SHALL BE) is a public corporation and a political subdivision of the state. (ALL THE POWERS VESTED AND OBLIGATIONS OR DUTIES IMPOSED UPON THE COMMISSION AND ACTS OF THE COMMISSION BY SECTIONS 473.401 TO 473.451 SHALL BE DEEMED TO BE THOSE OF THE TRANSIT AREA WHEREVER NECESSARY OR APPROPRIATE, AND SHALL BE EXERCISED, PERFORMED, AND DISCHARGED IN BEHALF OF THE AREA BY THE COMMISSION IN ITS NAME AS A PUBLIC CORPORATION AND WITH LIKE FORCE AND EFFECT AS IF DONE IN THE NAME OF THE AREA, AND FOR ALL SUCH PURPOSES, THE COMMISSION SHALL HAVE THE SAME STATUS AND POWERS AS THE AREA, ALL SUBJECT TO THE PROVISIONS OF SECTION 473.449. THE CHAIRMAN AND SECRETARY OF THE COMMISSION SHALL HAVE SUCH POWERS AS ARE DELEGATED TO THEM BY THE COMMISSION.)

Subd. 3. [PROPERTY.] The commission may acquire, own, hold, use, improve, operate, maintain, lease, exchange, transfer, sell, or otherwise dispose of property, franchises, easements, or property rights or interests of any kind. The commission may acquire by purchase, lease, gift, or condemnation proceedings pursuant to chapter 117. Except as provided in subdivision 9, the commission may take possession of any property for which condemnation proceedings have been commenced at any time after the filing of the petition describing the property in the proceedings. The commission may contract with an operator or other persons for the use by the operator or person of any property under the commission's control.

((B)) Subd. 4. [TRANSIT SYSTEMS.] The commission (SHALL HAVE THE POWER TO PLAN,) may engineer, construct, equip, and operate transit and paratransit systems, projects, or any parts thereof, including road lanes or rights of way, terminal facilities, maintenance and garage facilities, ramps, parking areas, and any other facilities useful for or related to any public transit or paratransit system or project. (THE COMMISSION MAY ACQUIRE BY PURCHASE, LEASE, GIFT, OR CONDEMNATION PROCEEDINGS ANY REAL OR PERSONAL PROPERTY, FRANCHISES, EASEMENTS, OR

OTHER RIGHTS OF ANY KIND FOR SUCH PURPOSES, OR WHICH MAY BE NECESSARY OR PROPER FOR THE DISCHARGE OF ITS POWERS AND DUTIES.)

Subd. 5. [ACQUISITION OF TRANSIT SYSTEMS.] The commission (SHALL HAVE THE POWER TO) *may* acquire by purchase, lease, gift, or condemnation proceedings any existing public transit system or any part thereof, including all or any part of the plant, equipment, shares of stock, property, real, personal, or mixed, rights in property, reserve funds, special funds, franchises, licenses, patents, permits and papers, documents and records belonging to any operator of a public transit system within the (TRANSIT) *metropolitan* area, and may in connection therewith assume any or all liabilities of any operator of a public transit system. The commission may not acquire any existing public transit system until (SUCH) *the* acquisition has been approved by (A MAJORITY OF) *the transit board and the metropolitan council*. The commission may (HOLD, USE, IMPROVE, OPERATE, MAINTAIN, LEASE, EXCHANGE, TRANSFER, SELL, OR OTHERWISE DISPOSE OF ANY OF ITS PROPERTY OR RIGHTS TO OTHERS AND MAY CONTRACT WITH ANY OPERATOR OR OTHER PERSONS FOR THE USE BY ANY SUCH OPERATOR OR PERSON OF ANY SUCH PROPERTY OR FACILITIES UNDER ITS CONTROL.)

(THE COMMISSION, IF IT PROCEEDS TO ACQUIRE ANY EXISTING PUBLIC TRANSIT SYSTEM OR ANY PART THEREOF BY CONDEMNATION, SHALL HAVE THE POWER TO) take control of and operate (SUCH) *a* system immediately following the filing and approval of the initial petition for condemnation, if the commission, in its discretion, determines (SUCH ACTION) *this* to be necessary. (THIS POWER SHALL INCLUDE THE), *and may take* possession of all right, title and other powers of ownership in all properties and facilities described in the petition. (SUCH ACTION SHALL) *Control must* be taken by resolution which (SHALL BE) *is* effective upon service of a copy (THEREOF) on the condemnee and the filing of the resolution in the condemnation action. In the determination of the fair value of the existing public transit system, there (SHALL) *must* not be included any value attributable to expenditures for improvements made by the transit commission.

The commission may continue or terminate within three months of acquisition any advertising contract in existence by and between any advertiser and a transit system that the commission has acquired. If the commission determines to terminate (SUCH) *the* advertising contract, it shall acquire all of the advertiser's rights under the contract by purchase or eminent domain proceedings as provided by law.

Subd. 6. [PLANNING.] *The commission shall prepare the operations plans and service plans required by the board for submission to the board for approval.*

Subd. 7. [ACTIONS.] The commission may sue and be sued (AND MAY ENTER INTO CONTRACTS WHICH MAY BE NECESSARY OR PROPER).

Subd. 8. [CONTRACTS.] The commission may enter into contracts necessary or proper for the exercise of its powers or the accomplishment of its purposes.

Subd. 9. [CONDEMNATION OF PUBLIC PROPERTY OR PROPERTY OF PUBLIC SERVICE CORPORATIONS.] The fact that property is owned by or is in charge of a public agency or a public service corporation organized for a purpose specified in section 300.03, or is already devoted to a public use or to use by the corporation or was acquired therefor by condemnation may not prevent its acquisition by the commission by condemnation, but if the property is in actual public use or in actual use by the corporation for any purpose of interest or benefit to the public, the taking by the commission by condemnation may not be authorized unless the court finds and determines that there is greater public necessity for the proposed use by the commission than for the existing use.

Subd. 10. [VOLUNTARY TRANSFER OF PUBLIC PROPERTY TO THE COMMISSION.] Any state department or other agency of the state government or any county, municipality, or other public agency may sell, lease, grant, transfer, or convey to the commission, with or without consideration, any facilities or any part or parts thereof or any real or personal property or interest therein which may be useful to the commission for any authorized purpose. In any case where the construction of a facility has not been completed, the public agency concerned may also transfer, sell, assign, and set over to the commission, with or without consideration, any existing contract for the construction of the facilities.

Subd. 11. [GIFTS AND GRANTS.] The commission may accept gifts, grants, or loans of money or other property from the United States, the state, or any person or entity (FOR SUCH PURPOSES), may enter into any agreement required in connection therewith, may comply with any federal or state laws or regulations applicable thereto, and may hold, use, and dispose of (SUCH) the money or property in accordance with the terms of the gift, grant, loan, or agreement (RELATING THERETO. THE COMMISSION MAY ESTABLISH AN EXECUTIVE COMMITTEE, A FINANCE COMMITTEE, AND SUCH OTHER COMMITTEES OF ITS MEMBERS AS IT DEEMS NECESSARY OR PROPER IN FURTHERANCE OF THE PROVISIONS OF SECTIONS 473.401 TO 473.451, AND MAY AUTHORIZE THEM TO EXERCISE IN THE INTERVALS BETWEEN COMMISSION MEETINGS ANY POWERS OF THE COMMISSION EXCEPT THOSE EXPRESSLY REQUIRED BY LAW TO BE EXERCISED BY THE COMMISSION).

Subd. (2) 12. [MANAGEMENT CONTRACTS.] Notwithstanding any of the other provisions of sections 473.401 to 473.451, the commission (SHALL HAVE POWERS) *may*, in lieu of directly operating any public transit system (,) or any part thereof, (TO) enter into (MANAGEMENT) contracts (WITH ANY PERSONS, FIRMS, OR CORPORATIONS) for (THE) management (OF SAID SYSTEM FOR SUCH PERIOD OR PERIODS OF TIME, AND UNDER SUCH) *services. The contracts may provide for compensation, incentive fees, the employment of personnel, the services provided, and other terms and conditions (AS SHALL BE DEEMED ADVISABLE AND) that the commission deems proper (BY THE COMMISSION AND SUCH PERSONS, FIRMS, OR CORPORATIONS).*

(SUCH PERSONS, FIRMS, OR CORPORATIONS ENTERING INTO MANAGEMENT CONTRACTS WITH THE COMMISSION MAY EMPLOY NECESSARY PERSONNEL FOR THE OPERATION AND MAINTENANCE OF SAID SYSTEM AS WELL AS PERFORM CONSULTING AND SUPERVISORY SERVICES FOR THE COMMISSION. AN INCENTIVE FEE MAY BE INCLUDED IN ANY MANAGEMENT CONTRACT THAT IS NEGOTIATED) *The commission may not permit a contract manager to supervise or manage internal audit activities. Internal audit activity must be supervised and managed directly by the commission. The commission shall advertise for bids and select contracts for management services through competitive bidding. The term of the contract may not be longer than two years. The contract must include clear operating objectives, stating the service policies and goals of the commission in terms of the movement of various passenger groups, and performance criteria, by means of which success in achieving the operating objectives can be measured. Employees of a contract manager may serve only in the operations division. The commission shall consider and determine the feasibility and desirability of having all its transit management services provided internally by employees of the commission.*

The employees of any public transit system operated pursuant to the provisions of this subdivision (SHALL, IN CASE OF) *for the purpose of resolving* any dispute arising under any existing or new collective bargaining agreement relating to the terms or conditions of their employment, (HAVE THE RIGHT, FOR THE PURPOSE OF RESOLVING SUCH DISPUTE,) *may either (TO) engage in a concerted refusal to work or to invoke the processes of final and binding arbitration as provided by chapter 572, subject to any applicable provisions of the agreement not inconsistent with law.*

(WHENEVER THE COMMISSION SHALL DIRECTLY OPERATE ANY PUBLIC TRANSIT SYSTEM, OR ANY PART THEREOF, OR ENTER INTO ANY MANAGEMENT CONTRACT OR OTHER ARRANGEMENT FOR THE OPERATION THEREOF, THE COMMISSION SHALL TAKE SUCH

ACTION AS MAY BE NECESSARY TO EXTEND TO EMPLOYEES OF AFFECTED PUBLIC TRANSIT SYSTEMS IN THE AREA, IN ACCORDANCE WITH SENIORITY, THE FIRST OPPORTUNITY FOR REASONABLY COMPARABLE EMPLOYMENT IN ANY AVAILABLE NON-SUPERVISORY JOBS IN RESPECT TO SUCH OPERATIONS FOR WHICH THEY CAN QUALIFY AFTER A REASONABLE TRAINING PERIOD. SUCH EMPLOYMENT SHALL NOT RESULT IN ANY WORSENING OF THE EMPLOYEE'S POSITION IN HIS FORMER EMPLOYMENT NOR ANY LOSS OF WAGES, HOURS, WORKING CONDITIONS, SENIORITY, FRINGE BENEFITS, AND RIGHTS AND PRIVILEGES PERTAINING THERETO.)

(THE COMMISSION MAY ENTER INTO AN AGREEMENT SPECIFYING FAIR AND EQUITABLE ARRANGEMENTS TO PROTECT THE INTERESTS OF EMPLOYEES WHO MAY BE AFFECTED IF THE COMMISSION SHOULD ACQUIRE ANY INTEREST IN OR PURCHASE ANY FACILITIES OR OTHER PROPERTY OF A PRIVATELY OWNED AND OPERATED TRANSIT SYSTEM, OR CONSTRUCT, IMPROVE, OR RECONSTRUCT ANY SUCH FACILITIES OR OTHER SUCH PROPERTY ACQUIRED FROM ANY SUCH SYSTEM, OR PROVIDE BY CONTRACT OR OTHERWISE FOR THE OPERATION OF TRANSPORTATION FACILITIES OR EQUIPMENT IN COMPETITION WITH, OR SUPPLEMENTARY TO, THE SERVICE PROVIDED BY AN EXISTING TRANSIT SYSTEM, SUCH AGREEMENT, SPECIFYING THE TERMS AND CONDITIONS OF THE PROTECTIVE ARRANGEMENTS, SHALL COMPLY WITH ANY APPLICABLE REQUIREMENTS OF SECTIONS 473.401 TO 473.451, AND WITH THE REQUIREMENTS OF ANY FEDERAL LAW OR REGULATION IF FEDERAL AID IS INVOLVED. SUCH AN AGREEMENT MAY PROVIDE FOR FINAL AND BINDING ARBITRATION OF ANY DISPUTE.)

(SUBD. 3. [RULES AND REGULATIONS.] THE COMMISSION MAY PRESCRIBE AND PROMULGATE RULES AND REGULATIONS AS IT DEEMS NECESSARY OR EXPEDIENT IN FURTHERANCE OF THE PURPOSES OF SECTIONS 473.401 TO 473.451 UPON LIKE PROCEDURE AND WITH LIKE FORCE AND EFFECT AS PROVIDED FOR STATE AGENCIES BY SECTIONS 14.02, 14.04 TO 14.36, 14.38, 14.44 TO 14.45, AND 14.57 TO 14.62, AND ACTS AMENDATORY THEREOF AND SUPPLEMENTARY THERETO.)

Subd. 13. [INSURANCE.] The commission may provide for self-insurance or otherwise provide for insurance relating to any of its property, rights, or revenue, workers' compensation, public liability, or any other risk or hazard arising from its activities, and may provide for insuring any of its officers or employees against the risk or hazard at the expense of the com-

mission. If the commission provides for self-insurance, against its liability and the liability of its officers, employees, and agents for damages resulting from its torts and those of its officers, employees, and agents, including its obligation to pay basic economic loss benefits under sections 65B.41 to 65B.71, it shall be entitled to deduct from damages and basic economic loss benefits all money paid or payable to the persons seeking damages and benefits from all governmental entities providing medical, hospital, and disability benefits.

Subd. 14. [ENTRY ON PREMISES FOR INVESTIGATIONS.] The commission may enter in a reasonable manner upon any lands, waters, or premises for the purpose of making any reasonably necessary or proper surveys, soundings, drillings, and examinations. The entry may not be deemed a trespass, except that the commission is liable for any actual and consequential loss, injury, or damage therefrom.

Subd. 15. [RELOCATION OF DISPLACED PERSONS.] The commission may plan for and assist in the relocation of individuals, families, business concerns, nonprofit organizations, and others displaced by operations of the commission, and may make relocation payments in accordance with federal regulations.

Sec. 128. Minnesota Statutes 1982, section 473.409, is amended to read:

473.409 [AGREEMENTS WITH COMMISSION; ENCOURAGEMENT OF TRANSIT USE.]

A state department or agency, including the legislative branch, any local governmental unit, the metropolitan council, or other metropolitan commission may enter into an agreement with the transit commission and other operators for the purpose of encouraging the use of transit by its employees residing in the metropolitan area. The agreement may provide for, among other things: (a) the advance purchase of tokens, tickets or other devices from the commission or other operator for use in lieu of fares on vehicles operated by the commission or other operator; and (b) special transit service for employees to and from their place of employment, at fares to be agreed upon by the contracting parties. The tokens, tickets, or other devices or services may be made available to employees at reduced rates. Any such agreement and arrangement by a state department or agency shall be submitted to the commissioner of administration for approval before execution. Any operating deficits or subsidy resulting from such agreements shall be assumed by the contracting department, agency, governmental unit, council, or other commission, unless otherwise provided in (THE) an agreement approved by the transit board.

Sec. 129. Minnesota Statutes 1982, section 473.411, is amended to read:

473.411 [(TRANSPORTATION DEVELOPMENT PROGRAM) TRANSIT AND HIGHWAY SYSTEMS.]

(SUBDIVISION 1. [DEVELOPMENT PROGRAM.] THE COMMISSION SHALL PREPARE AND SUBMIT IN THE MANNER PROVIDED IN AND SATISFYING THE REQUIREMENTS OF SECTION 473.161, A DEVELOPMENT PROGRAM, PROVIDING FOR THE IMPLEMENTATION OF THE POLICY PLAN ADOPTED BY THE COUNCIL. IN PREPARING THE PROGRAM, THE COMMISSION SHALL CONSULT WITH COUNTIES AND MUNICIPALITIES IN THE METROPOLITAN AREA, THE STATE TRANSPORTATION DEPARTMENT AND THE COMMISSIONER OF ENERGY, PLANNING AND DEVELOPMENT, AND FOR THAT PURPOSE MAY CREATE SUCH ADVISORY COMMITTEES AS MAY BE NECESSARY.)

(THE PROGRAM SHALL PROVIDE FOR COORDINATION OF ROUTES AND OPERATIONS OF ALL PUBLICLY AND PRIVATELY OWNED TRANSIT AND PARATRANSIT FACILITIES WITHIN THE TRANSIT AREA TO THE END THAT COMBINED EFFICIENT AND RAPID TRANSIT AND PARATRANSIT MAY BE PROVIDED FOR THE USE OF THE PUBLIC IN THE ENTIRE AREA. THE COMMISSION MAY DESIGNATE A SEGMENT OF THE SYSTEM PLANNED AS A PILOT OR DEMONSTRATION TRANSIT OR PARATRANSIT PROJECT USING, WITHOUT LIMITATION, NEW TECHNOLOGY INCLUDING AIRBORNE SYSTEMS, OR TRADITIONAL SYSTEMS OF EVOLVED OR MODERN FORM. THE DEVELOPMENT PROGRAM SHALL INCLUDE THE GENERAL ALIGNMENT AND PROFILE, APPROXIMATE POINTS OF ACCESS, FACILITY CLASSIFICATION, APPROXIMATE COST, RELATION TO OTHER EXISTING AND PLANNED TRANSIT AND PARATRANSIT ROUTES AND FACILITIES, AND A STATEMENT OF THE EXPECTED GENERAL EFFECT ON PRESENT AND FUTURE USE OF THE PROPERTY WITHIN THE CORRIDOR. THE PROGRAM SHALL BE ACCOMPANIED WITH A STATEMENT OF NEED FOR THE PROPOSED CONSTRUCTION OR IMPROVEMENT, A DESCRIPTION OF ALTERNATE ROUTES WHICH WERE CONSIDERED, AND AN EXPLANATION OF THE ADVANTAGES AND DISADVANTAGES IN THE SELECTION OF ANY ROUTE CONSIDERED. THE DEVELOPMENT PROGRAM SHALL ALSO CONTAIN A DESCRIPTION OF THE TYPE OF RIGHT-OF-WAY OR ROUTES REQUIRED; THE TYPE OF TRANSIT SERVICE TO BE PROVIDED IN EACH PORTION OF THE SYSTEM; DESIGNATION OF TRANSIT MODE; AND APPROPRIATE GENERAL OPERATING CRITERIA. THE PROGRAM SHALL ALSO CONTAIN AN OPERATIONAL IMPROVEMENT PROGRAM WHICH SHALL AT LEAST DESCRIBE PERFORMANCE OBJECTIVES AND STANDARDS WHICH THE COMMISSION PROPOSES TO

ACHIEVE IN SATISFYING POLICIES, PURPOSES, AND GOALS ESTABLISHED BY THE LEGISLATURE AND THE COUNCIL; IDENTIFY PERFORMANCE INDICATORS BY WHICH TO MONITOR AND ASSESS PROGRESS IN ACHIEVING THE OBJECTIVES AND STANDARDS; AND ESTABLISH A ROUTE DEFICIT LIMIT AS PROVIDED IN SECTION 174.28, SUBDIVISION 5. THE PROGRAM MAY INCLUDE SUCH OTHER INFORMATION AS THE COUNCIL OR THE COMMISSION DEEMS NECESSARY.)

Subd. 3. [(COMBINATION OF PUBLIC TRANSIT AND HIGHWAY SYSTEMS;) SERVICES OF DEPARTMENT OF TRANSPORTATION.] (THE PUBLIC TRANSIT SYSTEM SHALL BE DESIGNED AND OPERATED, AS FAR AS PRACTICABLE, SO AS TO PROVIDE, IN COMBINATION WITH PUBLIC HIGHWAYS, ADEQUATE MEANS AND FACILITIES OF MAXIMUM ATTAINABLE EFFICIENCY FOR PUBLIC TRANSPORTATION TO, FROM, AND WITHIN THE METROPOLITAN TRANSIT AREA, AND TO RELIEVE THE CONGESTION, TRAFFIC HAZARDS, AND OTHER OBJECTIONABLE CONDITIONS AFORESAID ON THE PUBLIC HIGHWAYS CAUSED BY LACK OF ADEQUATE PROVISIONS FOR PUBLIC TRANSIT.) The *transit* commission may make use of engineering and other technical and professional services, including regular staff and qualified consultants, which the commissioner of transportation can furnish, upon fair and reasonable reimbursement for the cost thereof; provided, that the commission (SHALL HAVE) *has* final authority over the employment of any services from other sources which it may deem necessary for such purposes. The commissioner of transportation may furnish all engineering, legal, and other services, if so requested by the commission and upon fair and reasonable reimbursement for the cost thereof by the commission, (WHICH THE COMMISSION REQUESTS) for the purposes stated in this subdivision, including the acquisition by purchase, condemnation, or otherwise in the name of the commission of all lands, waters, easements, or other rights or interests in lands or waters required by the commission. *No purchase of service agreements may be made under this subdivision which are not included in the budget of the commission.*

Subd. 4. [STATE HIGHWAYS; JOINT USE FOR TRANSIT AND HIGHWAY PURPOSES.] Wherever the joint construction or use of a state highway is feasible in fulfilling the purposes of sections 473.401 to 473.451, the *transit* commission shall enter into an agreement with the commissioner of transportation therefor, evidenced by a memorandum setting forth the terms of the agreement. Either the commission or the commissioner of transportation may acquire any additional lands, waters, easements or other rights or interests (THEREIN) required for (SUCH) joint use in accordance with (SAID) *the* agreement, or joint acquisition may be made by condemnation as provided by section 117.016 and the provisions of sections 473.-

401 to 473.451. Under (ANY SUCH) *the* agreement each party shall pay to the other party reasonable compensation for the costs of any services performed at the request of the other party which may include any costs of engineering, design, acquisition of property, construction of the facilities, and for the use thereof so far as attributable to and necessary for (SAID) *the* purposes. *The commission may not agree to acquisitions or expenditures under this subdivision which are not included in its budget.*

Subd. 5. [USE OF PUBLIC ROADWAYS AND APPURTENANCES.] The *transit* commission (SHALL HAVE THE RIGHT TO) *may* use for the purposes of sections 473.401 to 473.451 upon the conditions (HEREINAFTER) stated *in this subdivision* any state highway or other public roadway or lane (THEREOF), or any bridge or tunnel or other appurtenance of (SUCH) *a* roadway, without payment of any compensation (THEREFOR), provided (SUCH) *the* use does not interfere unreasonably with the public use or maintenance of the roadway or appurtenance or entail any substantial additional costs for maintenance (THEREOF; PROVIDED FURTHER, THAT). The provisions of this subdivision (SHALL) *do* not apply to the property of any common carrier railroad or common carrier railroads. The consent of the public agency in charge of such state highway or other public highway or roadway or appurtenance (SHALL) *is* not (BE) required, but if (SUCH) *the* agency objects to the proposed use or claims reimbursement from the commission for additional cost of maintenance, it may commence an action against the commission in the district court of the county wherein (SUCH) *the* highway, roadway, or appurtenance, or major portion thereof, is located. The proceedings in (SUCH) *the* action (SHALL) *must* conform to the rules of civil procedure applicable to the district courts. The court shall sit without jury. If the court determines that the use in question interferes unreasonably with the public use or maintenance of the roadway or appurtenance, it shall enjoin (SUCH) *the* use by the commission. If the court determines that the use in question does not interfere unreasonably with the public use or maintenance of the roadway or appurtenance, but that it entails substantial additional maintenance costs, the court shall award judgment to the agency for the amount of (SUCH) *the* additional costs. Otherwise the court shall award judgment to the commission. An aggrieved party may appeal from the judgment of the district court in the same manner as is provided for such appeals in other civil actions. The commission may also use land within the right of way of any state highway or other public roadway for the erection of traffic control devices, other signs, and passenger shelters upon the conditions (HEREINAFTER) stated *in this subdivision* and subject only to the approval of the commissioner of transportation where required by statute, and subject to the express provisions of other applicable statutes and to federal requirements where necessary to qualify for federal aid.

Sec. 130. Minnesota Statutes 1982, section 473.416, is amended to read:

473.416 [COMMISSION; TAKING OVER PERSONNEL AND CONTRACTS OF (JOINT POWERS) TRANSIT (COMMISSION) SYSTEMS.]

Whenever the transit commission directly operates any public transit system, or any part thereof, or enters into any management contract or other arrangement for the operation of a system, the commission shall take the action necessary to extend to employees of the affected public transit systems, in accordance with seniority, the first opportunity for reasonably comparable employment in any available nonsupervisory jobs in respect to such operations for which they can qualify after a reasonable training period. The employment must not result in any worsening of the employee's position in his or her former employment nor any loss of wages, hours, working conditions, seniority, fringe benefits, and rights and privileges pertaining thereto. The commission may enter into an agreement specifying fair and equitable arrangements to protect the interests of employees who may be affected if the commission should acquire any interest in or purchase any facilities or other property of a privately owned and operated transit system, or construct, improve, or reconstruct any facilities or other property acquired from any system, or provide by contract or otherwise for the operation of transportation facilities or equipment in competition with, or supplementary to, the service provided by an existing transit system. The agreement, specifying the terms and conditions of the protective arrangements, must comply with any applicable requirements of sections 473.401 to 473.451, and with the requirements of any federal law or regulation if federal aid is involved. The agreement may provide for final and binding arbitration of any dispute.

The commission, upon commencing operations under sections 473.401 to 473.451, shall, so far as deemed practicable and advisable in the discretion of the commission and subject to the provisions hereof, take over and employ in corresponding positions or other suitable positions the professional, technical, and other personnel employed by the existing metropolitan transit commission, hereinafter called the joint powers transit commission, created by the joint and cooperative agreement heretofore made between certain governmental units of the transit area pursuant to section 471.59. The transit commission created by sections 473.401 to 473.451 shall upon like conditions take over any contracts made by the joint powers transit commission and in force on July 1, 1967 for professional or technical services, rental of office space or other facilities, or other contracts relating to any matter within the purposes of sections 473.401 to 473.451. The joint powers transit commission shall execute all instruments which may be necessary to effectuate the provisions of this section.

Sec. 131. Minnesota Statutes 1982, section 473.435, is amended to read:

473.435 [(BUDGET PREPARATION; SUBMISSION) FINANCE.]

Subdivision 1. [BUDGET.] In furtherance of and in conformance with the implementation plan of the transit board, the transit commission (SHALL PREPARE, SUBMIT AND ADOPT A BUDGET IN THE MANNER PROVIDED IN, AND OTHERWISE COMPLY WITH, THE PROVISIONS OF SECTIONS 174.03 AND 473.163) each year shall prepare an annual budget, at the time, in the form, and containing the information prescribed by the board, and, after holding a public hearing on the budget, shall submit the budget to the board for review and approval or disapproval. The board may approve or disapprove the budget in whole or in part. The board may attach conditions to its approval. The board shall approve elements that the board determines are in conformance with the board's implementation plan and budget and shall disapprove elements that the board determines are not in conformance with the board's implementation plan and budget. The board shall return the budget to the commission, with comments indicating the reasons for any disapproval. If necessary, the commission shall make any appropriate amendments and resubmit the budget to the board for approval or disapproval.

Subd. 2. [AUDIT.] The transit commission shall employ a certified public accountant or firm to make an annual audit of the commission's financial accounts and affairs for the last fiscal year on or before November 30 of each year, and copies of the report thereof shall be filed and kept open to public inspection in the offices of the secretary of the commission, the board, and the secretary of state. The information in the audit shall be contained in the annual report and distributed in accordance with section 473.445.

Sec. 132. 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.

Sec. 133. Minnesota Statutes 1982, section 473.436, is amended by adding a subdivision to read:

Subd. 7. [APPROVAL BY BOARD.] Commencing on the day that the transit board has adopted an approved interim implementation plan and financial plan, pursuant to sections 473.377 and 473.38, the transit commission may not issue debt under this section without the approval of the board.

Sec. 134. Minnesota Statutes 1982, section 473.445, is amended to read:

473.445 [COMMISSION; ANNUAL REPORTS.]

Subdivision 1. The *transit* commission on or before November 30 of each year shall prepare a report for the preceding fiscal year, also, so far as practicable, for the further time up to the preparation of the report, containing, in addition to such other matters as the commission may deem proper, the following:

(a) the activities of the commission during the period covered by the report;

(b) the financial condition of public transit systems under the control of the commission; *and*

(c) a complete financial accounting of the financial accounts and affairs of the commission during the fiscal year (;)

((D) RECOMMENDATIONS FOR IMPROVEMENTS OF OR ADDITIONS TO THE TRANSIT AND PARATRANSIT FACILITIES OF THE AREA TO PROVIDE ADEQUATE, SPEEDY, AND EFFICIENT MEANS OF TRANSPORTING PEOPLE THEREIN;)

((E) RECOMMENDATIONS FOR ANY NEEDED LEGISLATION IN FURTHERANCE OF THE AFORESAID PURPOSES).

Subd. 3. Each report (SHALL) *must* be filed with the secretary of the commission and a copy (SHALL) *must* be filed with the board, the council, and the secretary of state. Copies (SHALL) *must* also be submitted to the legislature by November 15 of each even numbered year and (SHALL BE) distributed annually to the governor (AND); to each member of the legislature, to each county (COMMISSION), and to each elected chief executive of each municipality in the (TRANSIT) *metropolitan area*.

Sec. 135. 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.

Sec. 136. Minnesota Statutes 1982, section 473.446, is amended by adding a subdivision to read:

Subd. 6. [TRANSFER OF AUTHORITY.] *The authority and responsibility to levy taxes provided under this section is transferred from the transit commission to the transit board, beginning for taxes levied in 1984, payable in 1985, and for each succeeding year. In addition to the taxing authority under subdivision 1, the transit board may levy an additional amount necessary to provide full and timely payment of obligations of the board issued under section 473.39. The board is subject to the requirements and obligations imposed by this section on the commission.*

Sec. 137. Minnesota Statutes 1982, section 473.446, is amended by adding a subdivision to read:

Subd. 7. [PROTECTION OF RIGHTS OF HOLDERS OF OUTSTANDING INDEBTEDNESS.] *Beginning for taxes levied in 1984, payable in 1985, and for each succeeding year, the transit commission shall certify to the transit board before October 1 of each year the amounts necessary to provide full and timely payment of certificates of indebtedness, bonds, and other obligations of the commission, until all debt of the commission is fully discharged. As part of its levy made pursuant to subdivisions 1 and 6, the board shall levy the amounts certified by the commission and transfer the proceeds to the commis-*

sion for payment of its obligations. The taxes must be levied, certified, and collected in accordance with the terms and conditions of the indebtedness. Nothing in this act may impair the rights of holders of valid obligations of the commission to require a levy of property taxes. The transit board shall take the actions necessary to comply with the terms and conditions of the obligations, including if necessary the levy of property taxes to provide for a deficiency.

Sec. 138. Minnesota Statutes 1982, section 473.449, is amended to read:

473.449 [ACT EXCLUSIVE.]

The exercise by the commission of the powers provided in sections 473.401 to 473.451 shall not be subject to regulation by or the jurisdiction or control of any other public body or agency, either state, county, or municipal, except as specifically provided in (SECTIONS 473.401 TO 473.451, AND LAWS 1974, CHAPTER 422, ARTICLE 1) *chapter 473*.

Sec. 139. Minnesota Statutes 1983 Supplement, section 609.855, subdivision 1, is amended to read:

Subdivision 1. [UNLAWFULLY OBTAINING SERVICES.] Whoever intentionally obtains or attempts to obtain service from a provider of regular route transit as defined in section 174.22, subdivision 8, without making the required fare deposit or otherwise obtaining the consent of the transit operator or other authorized transit representative is guilty of unlawfully obtaining services and may be sentenced as provided in subdivision 4.

Sec. 140. Minnesota Statutes 1983 Supplement, section 609.855, subdivision 2, is amended to read:

Subd. 2. [UNLAWFUL INTERFERENCE WITH TRANSIT OPERATOR.] Whoever intentionally *commits an act that unreasonably* interferes with (THE TRANSIT OPERATOR OR REPRESENTATIVE WHILE THE OPERATOR OR REPRESENTATIVE IS ENGAGED IN THE PERFORMANCE OF OFFICIAL DUTIES) or obstructs the operation of a transit vehicle is guilty of unlawful interference and may be sentenced as provided in subdivision 4.

Sec. 141. Laws 1983, chapter 293, section 1, is amended to read:

Section 1. [TRANSPORTATION AND OTHER AGENCIES; APPROPRIATIONS.] The sums set forth in the columns designated "APPROPRIATIONS" are appropriated from the general fund, or any other fund designated, to the agencies

and for the purposes specified in the following sections of this act, to be available for the fiscal years indicated for each purpose. The figures "1983," "1984," and "1985," wherever used in this act, mean that the appropriation or appropriations listed thereunder are available for the year ending June 30, 1983, June 30, 1984, or June 30, 1985, respectively.

SUMMARY BY FUND

	1983	1984	1985	TOTAL
General	\$10,000	\$ 82,717,500	\$ 80,685,200	\$ 163,412,700
Special		335,500	372,700	708,200
Airports		9,356,900	(10,335,400)	19,712,300
			10,355,400	
M.S.A.S.		51,500,000	54,100,000	105,600,000
C.S.A.H.		154,900,000	163,400,000	318,300,000
Tr. Hwy.		603,211,800	598,162,700	1,201,374,500
Hwy. User		(7,618,100)	(7,477,700)	15,095,800
		7,474,300	7,621,500	
TOTAL	\$10,000	(\$909,639,800)	(\$914,553,700)	\$1,824,203,500
		\$909,496,000	\$914,697,500	

APPROPRIATIONS
Available for the Year
Ending June 30

	1984	1985
	\$	\$

Sec. 142. Laws 1983, chapter 293, section 2, subdivision 2, is amended to read:

Subd. 2. Highway Development . . . 566,923,700 573,418,700

Trunk Highway Development

1984	1985
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(\$342,824,000)	\$335,308,700
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\$342,823,700

	1984	1985
	\$	\$

It is estimated that this appropriation will be funded as follows:

Federal Highway Aid

\$212,500,000 \$204,000,000

Highway User Taxes

\$ 95,323,700 \$ 91,308,700

Bond Proceeds

\$ 35,000,000 \$ 40,000,000

The bond proceeds in this appropriation are the same as those appropriated by Laws 1977, chapter 277, section 1, and Laws 1983, chapter 17, section 12, both as amended by this act.

The commissioner of transportation shall notify the chairman of the senate finance committee and chairman of the house appropriations committee promptly of any events that should cause these estimates to change.

This appropriation is for the actual construction, reconstruction, and improvement of trunk highways. This includes the cost of actual payment to land owners for lands acquired for highway right of way, payment to lessees, interest subsidies, and relocation expenses.

County State Aids

\$154,900,000 \$163,400,000

This appropriation is from the county state-aid highway fund and is available until expended.

Municipal State Aids

\$ 51,500,000 \$ 54,100,000

	1984	1985
	\$	\$

This appropriation is from the municipal state-aid street fund and is available until expended.

Of the above appropriation, \$155,000 the first year and \$163,500 the second year shall be allocated to those communities where the population fell below 5,000 according to the 1980 federal census.

If an appropriation for either county state aids or municipal state aids is insufficient to exhaust the balance in the fund from which it is made in the year for which it is made, the commissioner of finance, upon request of the commissioner of transportation, shall notify the committee on finance of the senate and the committee on appropriations of the house of representatives of the amount of the remainder and shall then add that amount to the appropriation. The amount added is appropriated for the purposes of county state aids or municipal state aids, as appropriate.

Highway Debt Service

\$ 17,700,000 \$ 20,610,000

For transfer to the state bond fund.

If this appropriation is insufficient to make all transfers required in the year for which it is made, the commissioner of finance shall notify the committee on finance of the senate and the committee on appropriations of the house of representatives of the amount of the deficiency and shall then transfer that amount pursuant to the statutory open appropriation.

Any excess appropriation shall be canceled to the trunk highway fund.

Sec. 143. Laws 1983, chapter 293, section 2, subdivision 8, is amended to read:

	1984	1985
	\$	\$
Subd. 8. Aeronautics	9,249,600	10,249,900

The appropriations in this subdivision are from the state airports fund.

The amounts that may be expended from this appropriation for each activity are as follows:

Aeronautics Operations

(\$ 439,600 \$ 447,300)

\$ 451,400 \$ 459,900

During the biennium ending June 30, 1985, the commissioner shall not require the registration of personal use airports except for those within five miles of a public airport, whether privately or publicly owned.

Aeronautics Development and Assistance

(\$ 8,479,700 \$ 9,660,100)

\$ 8,467,900 \$ 9,647,500

\$971,500 the first year and \$1,014,200 the second year is for navigational aids.

\$5,092,300 the first year and \$6,269,400 the second year is for airport construction grants.

\$1,400,000 the first year and \$1,400,000 the second year is for airport maintenance grants.

If the appropriation for either year for navigational aids, airport construction grants, or airport maintenance grants is insufficient, the appropriation for the other year is available for it. These appropriations shall be expended only for grant-in-aid programs for airports that are not state owned.

	1984	1985
	\$	\$

These appropriations are to be expended in accordance with Minnesota Statutes, section 360.305, subdivision 4, clauses (1), (2), (4), and (5).

The commissioner of transportation may transfer unencumbered balances among these appropriations with the approval of the governor after consultation with the legislative advisory commission.

\$16,900 the first year and \$7,500 the second year is for maintenance of the Pine Creek Airport.

Air Transportation Services

\$	330,300	\$	142,500
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Any unexpended balance of the appropriation for air transportation services for purposes of repair and replacement of aircraft parts remaining in the first year shall not cancel but is available for the second year of the biennium.

The commissioner of transportation shall expend no money for pilot uniforms.

During the biennium ending June 30, 1985, the commissioner of transportation shall establish the position of state air dispatcher.

Sec. 144. Laws 1983, chapter 293, section 2, subdivision 9, is amended to read:

Subd. 9. Transfers

The commissioner of transportation with the approval of the commissioner of finance may transfer unencumbered balances among the appropriations (FROM THE TRUNK HIGHWAY FUND) made in this section *from the trunk highway fund, or from the general fund or state airports fund other than for grants.* No transfer shall be made from the appropriation for trunk high-

	1984	1985
	\$	\$

way development. No transfer shall be made from the appropriations for debt service to any other appropriation. *No transfer shall be made between funds.* Transfers shall be reported forthwith to the committee on finance of the senate and the committee on appropriations of the house of representatives.

Sec. 145. Laws 1983, chapter 293, section 4, subdivision 1, is amended to read:

Sec. 4. PUBLIC SAFETY

Subdivision 1. General Operations and Management		(68,134,000	68,181,700)
		67,990,600	68,325,500

	1984	1985
Approved Complement—	1,631.9	1,630.8
General—	385.0	385.0
Special—	.5	.5
Trunk Highway—	1,039.3	1,039.3
Highway User—	174.6	174.6
Federal—	32.5	31.4

The above approved complement includes 511 for state funded unclassified patrol officers and supervisors of the highway patrol.

Nothing in this provision is intended to limit the authority of the commissioner of public safety to transfer personnel, with the approval of the commissioner of finance, among the various units and divisions within this section provided that the above complement shall be reduced accordingly.

No new highway patrol supervisory positions shall be established, with the

	1984	1985
	\$	\$

exception of special duty assigned ranks for the length of assignment only.

The commissioner of public safety, in cooperation with the departments of revenue and transportation, shall submit a report to the legislature outlining the costs and benefits of establishing ports of entry on Minnesota trunk highways. The study shall include, but is not necessarily limited to, an evaluation of the financial requirements for establishing ports of entry, the feasibility of ports of entry, the optimum location of ports of entry, and the impact ports of entry might have on the revenues collected for road and street purposes in Minnesota. The report shall be submitted to the chairman of the house appropriations committee and the chairman of the senate finance committee by November 1, 1983.

Of this appropriation, \$17,274,400 the first year and \$17,281,200 the second year is from the general fund; \$45,000 the first year and \$45,000 the second year is from the state airports fund; \$43,446,900 for the first year and \$43,627,800 the second year is from the trunk highway fund; and (\$7,368,100) \$7,224,300 the first year and (\$7,227,700) \$7,371,500 the second year is from the highway user tax distribution fund.

The amounts that may be expended from this appropriation for each program are specified in the following subdivisions of this section.

Sec. 146. Laws 1983, chapter 293, section 4, subdivision 3, is amended to read:

Subd. 3. Emergency Services

\$	878,800	\$	784,900
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\$264,400 the first year and \$267,300 the second year is for nuclear plant pre-

	1984	1985
	\$	\$

paredness, and any unencumbered balance remaining in the first year does not cancel but is available for the second year of the biennium.

Sec. 147. Laws 1983, chapter 293, section 5, is amended to read:

Sec. 5. AGRICULTURE

General Operations and Management	14,760,600	13,734,700
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Approved Complement—453.8

General—222.3

Special/Revolving—216.5

Federal—15

Of this appropriation, \$14,610,400 the first year and \$13,556,000 the second year is from the general fund; and \$150,200 the first year and \$178,700 the second year is from the special revenue fund.

The amounts that may be expended from this appropriation for each program are as follows:

Agricultural Protection Service

\$ 3,441,200	\$ 3,461,300
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Notwithstanding Laws 1981, chapter 356, section 23, the commissioner of agriculture need transfer from the grain inspection account to the general fund by June 30, 1983 only the amount of the unobligated balance in the account not needed to provide working capital during the fiscal year ending June 30, 1984, as determined by the commissioner of finance. Any amounts due under Laws 1981, chapter 356, section 23 and not transferred to the general fund by June

	1984	1985
	\$	\$

30, 1983 shall be transferred to the general fund by June 30, 1984. It is estimated that this delay will reduce general fund transfers from other funds by \$250,000 for fiscal year 1983.

Pursuant to Minnesota Statutes, section 17A.10, the commissioner of agriculture shall (NOT INITIATE ANY NEW WEIGH STATIONS UNTIL THE RECOMMENDATIONS OF A SELECT COMMITTEE ON LIVESTOCK WEIGHING HAVE BEEN RECEIVED BY THE LEGISLATURE. THE COMMITTEE SHALL BE MADE UP OF THREE MEMBERS OF THE HOUSE AGRICULTURE COMMITTEE APPOINTED BY THE SPEAKER AND THREE MEMBERS OF THE SENATE AGRICULTURE AND NATURAL RESOURCES COMMITTEE APPOINTED BY THE SUBCOMMITTEE ON COMMITTEES OF THE COMMITTEE ON RULES AND ADMINISTRATION. THE COMMITTEE SHALL REPORT NO LATER THAN JANUARY 30, 1984) promptly appoint weighers to weigh livestock at each public stockyard, packing plant, slaughtering house, buying station, or livestock marketing agency where weighers are required by law.

There is appropriated to the Department of Agriculture \$10,000 for fiscal year 1983 for the purpose of implementing a gypsy moth control program. These funds are available until expended.

Agricultural Promotion Service

\$ 5,771,600	\$ 4,632,000
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\$150,200 the first year and \$178,700 the second year is from the commodities research and promotion account in the special revenue fund.

1984

1985

\$

\$

\$500,000 the first year and \$500,000 the second year is for the agriculture development grant program to be expended in accordance with Minnesota Statutes, section 17.101. The commissioner shall submit a work program and semi-annual progress reports to the chairman of the senate finance committee and the chairman of the house appropriations committee.

For the biennium ending June 30, 1985, the commissioner of agriculture may provide money to assist in the implementation of research and promotional orders pursuant to Minnesota Statutes, sections 17.51 to 17.69 from the appropriations provided for agriculture development grants. This money shall be provided in accordance with Minnesota Statutes, section 17.101.

No more than \$15,000 may be spent for implementing a barley research and promotion order.

No more than \$30,000 may be spent for implementing a corn research and promotion order.

\$1,500,000 the first year is for transfer to the special family farm security program account created by Minnesota Statutes, section 41.61, subdivision 1, for the purpose of paying lenders for defaulted loans.

\$2,846,200 the first year and \$3,164,600 the second year is for family farm security interest payment adjustments. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

Administration and Financial Aids
Service

\$ 2,512,400 \$ 2,553,200

	1984	1985
	\$	\$

The appropriation for administration and financial aids service includes the following amounts for grants to agricultural societies and associations:

(a) For aid to the northeastern Minnesota junior livestock show association.

\$	1,200	\$	1,200
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(b) For aid to Minnesota livestock breeders association

\$	14,200	\$	14,200
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(c) For aid to northern sheep growers associations

\$	1,000	\$	1,000
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(d) For aid to southern sheep growers associations

\$	400	\$	400
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(e) For Red River valley livestock associations

\$	6,000	\$	6,000
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The amount appropriated by clause (e) shall be disbursed pursuant to provisions of Minnesota Statutes, section 38.02.

(f) For the Red River Valley Dairymen's Association, Inc., for the purpose of promoting better dairying

\$	1,200	\$	1,200
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Clauses (b), (c), (d), (e), and (f) shall be expended under provisions of Minnesota Statutes, section 17.07.

(g) Aid to county and district agricultural societies

\$	260,200	\$	257,600
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1984

1985

\$

\$

Of this amount, \$2,600 in fiscal year 1984 is for reimbursing Morrison County for costs incurred in fiscal year 1982;

Of the amount appropriated by clause (g) \$3,800 each year is for livestock premiums to county fair associations for carrying on boys' and girls' club work. The amount appropriated by clause (g) shall be disbursed according to Minnesota Statutes, section 38.02.

Of the amounts appropriated by clause (g), \$900 each year shall be available for agricultural aid to the Red Lake Band of Chippewa Indians, to be expended as may be directed by the Indian council for the purpose of encouraging activities and arts that will advance the economic and social interest of their people and particularly to promote a program of agricultural development that will utilize to the greatest possible extent the lands and forest owned by them. This appropriation may be used to help maintain an agricultural extension service, to promote 4-H club work, or for premiums for the competitive display of exhibits at any fair or exposition that may be arranged under the direction of the council.

(h) For aid in payment of premiums at exhibitions of poultry for the poultry associations

\$ 2,800 \$ 2,800

Out of the amounts appropriated by clause (h) the amount of \$827 shall be allotted each fiscal year to aid the Minnesota state poultry association in the payment of premiums and other necessary expenses, exclusive of salaries or wages of any kind, at its annual exhibition.

\$8,800 the first year and \$9,200 the second year is for payment of claims

1984

1985

\$

\$

relating to livestock damaged by endangered animal species.

If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

The commissioner of agriculture shall submit a report to the chairman of the house appropriations committee and the chairman of the senate finance committee by January 15, 1984 outlining the costs and benefits of continuing the building lease beyond October 30, 1984.

Soil and Water Conservation Board

\$ 3,035,400 \$ 3,088,200

\$420,700 the first year and \$420,700 the second year is for general purpose grants in aid to soil and water conservation districts.

\$99,200 the first year and \$152,300 the second year is for grants to districts for technical assistance, education, and demonstrations of conservation tillage.

\$198,500 the first year and \$198,500 the second year is for grants to watershed districts and other local units of government in the southern Minnesota river basin study area 2 for flood plain management.

\$1,541,400 the first year and \$1,541,400 the second year is for grants to soil and water conservation districts for cost-sharing contracts for erosion control and water quality management.

\$158,700 the first year and \$158,700 the second year is for grants in aid to soil and water conservation districts and local units of government to assist them in solving sediment and erosion control problems. Grants shall not exceed 50 percent of total project costs or 50 per

	1984	1985
	\$	\$

cent of the local share if federal money is used. Priority shall be given to projects designed to solve lakeshore, stream bank, and roadside erosion and to projects eligible for federal matching money.

\$12,400 the first year and \$12,400 the second year is for grants to soil and water conservation districts for review and comment on water permits.

The commissioner of agriculture with the approval of the commissioner of finance may transfer unencumbered balances not specified for a particular purpose among the above programs. Transfers shall be reported forthwith to the committee on finance of the senate and the committee on appropriations of the house of representatives.

Sec. 148. Laws 1983, chapter 293, section 6, is amended to read:

Sec. 6. BOARD OF ANIMAL HEALTH

General Operations and Management	1,237,600	1,198,000
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Approved Complement—35

This appropriation includes (\$40,000) \$32,600 the first year and (\$40,000) \$18,000 the second year for payment of indemnities. If the appropriation for indemnities for either year is insufficient, the appropriation for the other year is available for it. Indemnities of less than \$1 shall not be paid.

For the biennium ending June 30, 1985, the board of animal health may request additional funding from the legislative advisory commission for the purpose of implementing the provisions of a bill known as H. F. 512, tentatively coded as Minnesota Statutes, section 35.255.

Sec. 149. [JOINT COMMITTEE.]

The senate agriculture and natural resources committee and the house agriculture committee may form a joint committee to oversee agricultural land preservation and soil and water conservation activities in the state.

Sec. 150. [APPROPRIATIONS; REDUCTIONS AND TRANSFERS.]

Subdivision 1. The general fund appropriation in Laws 1983, chapter 293, section 2, subdivision 5(e) for fiscal year 1985 for state operating assistance grants is reduced by \$1,084,800 and reappropriated to the commissioner of transportation for transfer to the regional transit board.

Subd. 2. The general fund appropriation in Laws 1983, chapter 293, section 2, subdivision 6 for fiscal year 1985 for transit administration is reduced by \$14,700 and reappropriated to the commissioner of transportation for transfer to the regional transit board. The approved general complement of the department of transportation is reduced by one full-time position effective June 30, 1985.

Subd. 3. Notwithstanding any other law to the contrary, the metropolitan transit commission shall reduce its support staff by 21 full-time positions effective June 30, 1985. For purposes of this subdivision, support staff includes all staff other than drivers, mechanics, and security personnel.

Subd. 4. For the biennium ending June 30, 1985, the approved complement of the regional transit board may not exceed 19 full-time positions. The chairman of the regional transit board may, on approval of the board, appoint no more than three persons in the unclassified service, not to exceed any other statutory complement limitations.

The chairman of the regional transit board shall present a complete budget and staffing plan to the committees on finance in the senate and appropriations in the house by December 1, 1984.

Subd. 5. The commissioner of finance shall supervise the transfer of funds to the regional transit board under subdivisions 1 and 2. If an increase is required in the amount appropriated for the operating expenses of the regional transit board, the commissioner of finance shall determine the appropriate amount and, subject to the provisions of section 3.30, transfer the required amount from funds made available by Laws 1983, chapter 293, section 2, subdivision 5(e). Questions respecting the transfer of programs from the metropolitan transit commission

or the department of transportation shall be resolved by the commissioner of administration in consultation with the commissioner of finance.

Sec. 151. [STUDIES; REPORTS.]

The regional transit board shall study and report to the legislature by February 1, 1985, on the following issues:

(1) changes needed in the replacement service and contract programs in order to provide greater incentives for cities and counties and combinations thereof to design and implement service that meets their needs efficiently and effectively; and

(2) changes needed in its authority to contract indebtedness and to levy property taxes to retire debt.

Sec. 152. [PROGRESS REPORTS.]

The regional transit board shall report to the legislature by February 1, 1985, on its progress to date in:

(1) developing and implementing programs to improve service in areas that are not adequately served at present; and

(2) preparing and implementing the implementation plan and financial plan required by law.

Sec. 153. [REPEALER.]

Subdivision 1. [METROPOLITAN TRANSIT COMMISSION.] Minnesota Statutes 1982, sections 174.03, subdivision 5a; 473.401; 473.402; 473.403; 473.411, subdivision 1; 473.413 as amended by Laws 1983, chapter 247, section 160; 473.451, are repealed effective August 1, 1984. Minnesota Statutes 1982, sections 174.24, subdivisions 3a and 4; 174.265; and 174.31 are repealed July 1, 1985.

Subd. 2. [OTHER.] Minnesota Statutes 1982, sections 167.31; 167.32; 167.33; 167.34; 167.35; 167.36; 167.37; 167.38; 167.39; 167.42; 167.43; 167.44; 167.521; and 168.27, subdivision 5, are repealed.

Sec. 154. [EFFECTIVE DATE.]

Except as otherwise provided in this section this act is effective the day following final enactment. Sections 101; 102; 103; 104; 105; 106; 107; 108; 109; 110; 111; 112; 113; 114; 115; 116, subdivisions 1, 2, 4, 5, 6, 7, and 8; 117; 118; 119; 120; 121; 122; 123; 124; and 125, are effective July 1, 1984, in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Wash-

ington. Sections 126; 127; 128; 129; 130; 131; 132; 133; 134; 135; 136; 137; and 138, are effective August 1, 1984, in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington. Sections 63; 64; 65; 66; 67; 68; 69; 70; 71; and 72, are effective July 1, 1985. Section 79 is effective July 1, 1985, and section 81 is effective January 1, 1986. Sections 139 and 140 are effective August 1, 1984 and apply to violations committed on or after that date.

ARTICLE 4

EDUCATION

Section 1. DEPARTMENT OF EDUCATION

(a) School Management Services 1,600,000

This appropriation is for regional computing centers.

It is added to the appropriation for that purpose in Laws 1983, chapter 258, section 2, subdivision 7(b), which is reappropriated to the department.

As part of the fiscal year 1986-1987 biennial budget process, the commissioner shall, with the assistance of the ESV Computer Council, prepare a plan for modification of the statutory requirement for school district affiliation with a regional center. This plan shall include recommendations for any statutory amendments required to implement this change in policy.

Notwithstanding Laws 1977, chapter 449, section 3, subdivision 2, reimbursement of the \$50,000 appropriation for establishing the Minnesota Occupational Information System Revolving Fund is not required.

(b) Special services

The \$75,000 appropriated to the department of education for fiscal year 1984 for a computer project for personnel licensing and placement activities may be carried over to fiscal year 1985.

(c) Auxiliary and General Support Services

The commissioner of education shall maintain no more than seven total state complement in the categories of commissioner, deputy commissioner, assistant commissioner, assistant to the commissioner, executive assistant, or executive aide.

(d) State Board Expenses 57,000

This appropriation is for state board of education expenses, services, contracts, and other needs determined by it. The commissioner of education shall provide accounting, financial, and other services without charge to the board. Expenditure of this appropriation is subject to the approval of the chair of the state board of education rather than the commissioner of education. This appropriation is added to the appropriation for the state board of education in Laws 1983, chapter 258, section 2, subdivision 8.

(e) Non-AVTI Adult Vocational Programs 181,000

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 5, section 18, subdivision 7.

Sec. 2. STATE BOARD OF VOCATIONAL-TECHNICAL EDUCATION 100,000

This appropriation is added to the appropriation in Laws 1983, chapter 258, section 2, subdivision 4, for the implementation of Laws 1983, chapter 258, sections 56, 57, 58, 59, 60, 61, 63, and 64.

The state board of vocational-technical education may carry over any unencumbered balance from its appropriation from the first year of the biennium to the second year of the biennium and up to a maximum of two percent of its unallocated biennial appropriation into the following biennium.

Sec. 3. HIGHER EDUCATION COORDINATING BOARD

(a) State Scholarship, Nurses Scholarship, and State Grant-In-Aid 5,000,000

This appropriation is added to the appropriation for the same purpose in Laws 1983, chapter 258, section 3, subdivision 3.

Of the above appropriation, an amount not to exceed \$75,000 is for osteopathy contracts for osteopathy stu-

dents who began their first year of study in the fall of 1982. Those students are to be eligible for participation in the contract program for their third and fourth years of study.

(b) The Higher Education Coordinating Board shall adopt temporary rules pursuant to Minnesota Statutes, sections 14.29 to 14.36 to implement Minnesota Statutes 1983 Supplement, section 136A.1701, for the 1984-1985 academic year. Notwithstanding Minnesota Statutes, section 14.35, the temporary rules may be effective until permanent rules are adopted or June 30, 1985, whichever is earlier.

(c) Reciprocity

A resident of a state which borders Minnesota and which did not require non-resident tuition for vocational technical programs in the 1983-84 school year, may attend an AVTI in Minnesota at Minnesota resident tuition rates for the 1984-1985 school year. The non-resident must qualify under Minnesota law to attend the AVTI as if the non-resident were a Minnesota resident.

The Higher Education Coordinating Board shall negotiate an interstate tuition reciprocity agreement with all bordering states that includes the area vocational technical institutes. If agreement cannot be reached on reciprocity for the area vocational technical institutes, the Board shall re-evaluate the entire post-secondary reciprocity agreement with that state.

Sec. 4. STATE UNIVERSITY SYSTEM

In order to assure conformance with legislative intent and cost-effective construction, the State University Board shall submit the building program, schematic plans, and cost estimates authorized by the 1984 Omnibus Capital Improvement Bill styled as H. F. 2314 to the Department of Finance for comment and recommendations.

Sec. 5. UNIVERSITY OF MINNESOTA

(a) Supercomputer Institute 1,600,000

This appropriation is for access to different types of supercomputers.

(b) Bio-Technology Center 200,000

This appropriation is added to the appropriation for the same purpose in Laws 1983, chapter 258, section 6, subdivision 3(z). This appropriation is available upon submission of required documentation that each dollar of state money has been matched by two dollars of contributions from nonstate sources.

(c) Faculty Retirement 960,000

This appropriation is added to the appropriation for operations and maintenance for the University of Minnesota in Laws 1983, chapter 258, section 6, subdivision 2. This appropriation restores part of the reduction in the appropriation to the university which occurred in Laws 1982, third special session chapter 1, article 2, section 2, subdivision 3(e). That reduction was intended to be a proportionate reduction in compensation for academic employees as part of the state's overall temporary reduction in employer contributions for public employee pensions.

(d) Agricultural Research 265,000

\$125,000 of this appropriation is for research concerning growing and processing grapes in Minnesota. These funds are to be used to create, expand, and facilitate grape research programs deemed valuable and appropriate to Minnesota-grown wine grapes, table grapes, grape juice products, and other grape products.

The Minnesota Grape Growers Association shall form a grape research council to advise the University of Minnesota about the research to be conducted. The grape research council shall be made up of seven members of the Minnesota Grape Growers Association. Four members, designated as grower members, must be active grape growers. Two members, designated as winery members, must be actively engaged in the production of Minnesota-regional commercial wines. One member, designated as the research member, must be actively engaged in either institutional or private grape culture research.

This appropriation is added to the appropriation in Laws 1983, chapter 258, section 6, subdivision 3(b).

(e) China Center 75,000

(f) Talented Youth Mathematics Program 75,000

(g) Underground Space Center 200,000

(h) Environmental Pathology Laboratory 100,000

(i) The University of Minnesota is requested to prepare detailed plans and specifications for the Institute of Contemporary Retailing. Such plans and specifications may be included in the University's 1985 budget request.

Sec. 6. TEACHING ASSISTANTS

It is the intent of the legislature that the University of Minnesota and the state university board address the problem of teaching assistants for whom English is a second language. The University of Minnesota and the state university board shall develop plans for ensuring that teaching assistants are proficient in speaking, reading, and writing the English language as it is spoken in the United States. The plans shall be presented to the legislature by February 1, 1985.

The legislature encourages the University of Minnesota and the state university system to be sensitive to this problem as it may relate to faculty members and consult with their faculty on methods of addressing it.

Sec. 7. [INTERNATIONAL SCHOOLS OF BUSINESS.]

The University of Minnesota and the state university system are requested to prepare coordinated, detailed plans and specifications for international school of business endeavors; such plans and specifications shall be included in the systems 1985 budget requests.

Sec. 8. [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 or its successor;*
- (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) *veterans advisory committee.*

Sec. 9. [TEMPORARY.]

If a group listed in section 8, subdivision 2, does not have a member who meets the qualifications in section 8, subdivision 1, on July 1, 1985, such a member shall be appointed when a vacancy occurs on or after July 1, 1985. Section 8 does not require the immediate displacement of current members of the groups listed in subdivision 2.

Sec. 10. Minnesota Statutes 1982, section 125.031, is amended to read:

125.031 [LICENSURE, AREA VOCATIONAL-TECHNICAL SCHOOL INSTRUCTORS TEACHING LESS THAN (SIX) 61 HOURS A (QUARTER) FISCAL YEAR.]

Notwithstanding section 125.03, subdivision 1, a person who teaches in an adult *extension* vocational-technical education program not more than (SIX) 61 hours per (QUARTER) *fiscal year* is exempt from a license requirement.

Sec. 11. Minnesota Statutes 1983 Supplement, section 135A-03, subdivision 1, is amended to read:

Subdivision 1. [DETERMINATION OF APPROPRIATION.] The appropriation to each board for instructional services shall equal the total cost of instruction minus the estimated tuition revenue. *For the 1985-1987 biennium the estimated tuition revenue should be approximately 33 percent of instructional cost for the University of Minnesota, the state university system and the community college system, and 25 percent for the area vocational-technical institutes.*

Sec. 12. Minnesota Statutes 1983 Supplement, section 135A-03, subdivision 3, is amended to read:

Subd. 3. [DETERMINATION OF STUDENT ENROLLMENT.] Student enrollment shall be the full-year equivalent or average daily membership enrollment in each instructional category in the fiscal year two years before the fiscal year for which the appropriations are being made. Student enrollment *for the*

purpose of calculating appropriations for the second year of the biennium may be estimated on the basis of the (FALL ENROLLMENT) latest enrollment data available. Student enrollment shall (EXCLUDE) include students enrolled (DURING A SUMMER SESSION, EXCEPT WHEN THE INSTRUCTIONAL PROGRAM IS PROVIDED DURING THE ENTIRE CALENDAR YEAR) in courses that award credit or otherwise satisfy any of the requirements of an academic or vocational program.

Sec. 13. Minnesota Statutes 1983 Supplement, section 135A.03, subdivision 4, is amended to read:

Subd. 4. [DETERMINATION OF AVERAGE COST OF INSTRUCTION.] (a) The average cost of instruction shall include direct instructional costs and other costs necessary to provide instruction, such as (FEES,) facilities, administration, and support. The average cost of instruction shall (NOT) include (SUMMER SESSION COSTS, EXCEPT WHEN THE INSTRUCTIONAL PROGRAM IS PROVIDED DURING THE ENTIRE CALENDAR YEAR) *only those costs attributable to academic or vocational programs.*

(b) *Every biennium* each board shall submit (BY DECEMBER 1, 1983, ITS) *the* average cost of instruction for each instructional category (FOR THE 1984 FISCAL YEAR. ANNUALLY THEREAFTER BY DECEMBER 1, EACH BOARD SHALL SUBMIT THE AVERAGE COST OF INSTRUCTION FOR EACH INSTRUCTIONAL CATEGORY) as necessary to determine appropriations (. THE INFORMATION SHALL BE SUBMITTED TO THE COMMISSIONER OF FINANCE) *as part of their biennial budget request.*

Sec. 14. Minnesota Statutes 1982, section 136.11, subdivision 2, is amended to read:

Subd. 2. [FEES CHARGEABLE.] (IN ADDITION THERE-TO STUDENT ACTIVITY FEES SHALL BE CHARGED AT THE STATE UNIVERSITIES NOT TO EXCEED \$15 PER QUARTER, AND IN THE MODEL SCHOOLS, NOT TO EXCEED \$5 PER QUARTER.) The state university board may also prescribe fees to be charged students for *student unions, university activities, functions, and purposes.* All fees received are appropriated to the board for the purposes for which they are charged.

Sec. 15. Minnesota Statutes 1982, section 136.11, subdivision 7, is amended to read:

Subd. 7. [STUDENT HEALTH SERVICE.] The state university board shall (ESTABLISH A) *offer* health (SERVICE) *services for students at each state university (FOR ITS STUDENTS AND).* *The health services may be offered either on*

campus or in the community nearby. The Board may charge each student a health service fee in an amount not exceeding \$75 per year. The proceeds of the fee shall be used to maintain the health service and equip and construct facilities for it. Proceeds of the fee may be used to contract for health, medical and hospitalization insurance for the students. The proceeds of the fees shall be deposited in the university activity fund and are annually appropriated to the state university board for the purposes of this subdivision.

Sec. 16. Minnesota Statutes 1983 Supplement, section 136.144, is amended to read:

136.144 [PROMOTION OF UNIVERSITY; ACCEPTANCE OF GIFTS.]

The board may receive and accept on behalf of the state and for the state universities any gift, bequest, devise, endowment, or grant in the form of cash which any person, firm, corporation, association, or governmental agency may make to the board by will, deed, gift, or otherwise to carry out the purposes of section 136.143. Unless otherwise so expressed in the terms of the gift, bequest, devise, endowment, or grant, moneys so received are not subject to the laws requiring budgeting, allotment, and encumbrance as provided in chapter 16A, or otherwise. (THESE MONEYS SHALL BE DEPOSITED IN THE STATE TREASURY AND ARE APPROPRIATED TO THE BOARD FOR USE ACCORDING TO THIS SECTION.) These moneys shall not be taken into account in determining appropriations or allocations.

Sec. 17. [136.26] [STATE UNIVERSITY VENDING CONTRACTS.]

Notwithstanding any other law to the contrary, the state university system will award contracts for vending machine services to the vendor who offers the highest commission rate to a state university, all other factors being substantially equal.

Sec. 18. Minnesota Statutes 1982, section 136.506, is amended to read:

136.506 [FUNDS, (TREASURER'S DUTIES) AUTHORITY OF BOARD.]

The state (TREASURER) *university board* is appointed custodian of all funds received from the federal government under sections 136.501 to 136.507 and is charged with the duty and responsibility of receiving and providing for the proper custody and proper disbursement of money paid to the state and the appropriations made for such purpose.

Sec. 19. Minnesota Statutes 1982, section 136.55, subdivision 2, is amended to read:

Subd. 2. All amounts so allocated shall be deposited in an annuity account which is (HEREBY) established (IN THE STATE TREASURY) *by the state university board*. (THERE IS ANNUALLY APPROPRIATED FROM THE ANNUITY ACCOUNT IN THE STATE TREASURY TO THE STATE UNIVERSITY BOARD ALL MONEYS DEPOSITED THEREIN FOR THE) Payment of annuity premiums *shall be made* when due or (FOR OTHER APPLICATION) in accordance with the salary agreement entered into between the employee and the state university board. The moneys in the annuity account (IN THE STATE TREASURY) are not subject to the budget, allotment, and incumbrance system provided for in chapter 16A, and any act amendatory thereof.

Sec. 20. Minnesota Statutes 1982, section 136A.02, subdivision 1a, is amended to read:

Subd. 1a. *The term of each board member shall be six years.* The (MEMBERSHIP) terms of *membership*, compensation, removal of members, and filling of vacancies on the board shall be as provided in section 15.0575.

Sec. 21. Minnesota Statutes 1983 Supplement, section 136A.121, subdivision 2, is amended to read:

Subd. 2. [ELIGIBILITY FOR GRANTS-IN-AID.] An applicant shall be eligible to be considered for a grant-in-aid, regardless of the applicant's sex, creed, race, color, national origin, or ancestry, under the provisions of sections 136A.09 to 136A.131 if the board finds that applicant:

- (1) is a resident of the state of Minnesota;
- (2) is a graduate of a secondary school or its equivalent, or is 17 years of age or over, and has met all requirements for admission as a full-time student to an eligible college or vocational school of his choice as defined in sections 136A.09 to 136A.131 (OR HAS COMPLETED AT LEAST ONE ACADEMIC YEAR OF STUDY AT A TWO-YEAR INSTITUTION AND SEEKS TRANSFER TO A FOUR-YEAR ELIGIBLE INSTITUTION);
- (3) has met such criteria pertaining to financial need as the board shall make by regulation.

Sec. 22. Minnesota Statutes 1983 Supplement, section 136A.26, is amended to read:

136A.26 [MEMBERSHIPS; OFFICERS; COMPENSATION; REMOVAL.]

Subdivision 1. [MEMBERSHIP.] The Minnesota higher education facilities authority shall consist of (SIX) *eight* members appointed by the governor with the advice and consent of the senate, and the executive director of the Minnesota higher education coordinating board. The executive director of the coordinating board may designate a member of the director's staff to sit in the director's place as a member of the authority.

All members to be appointed by the governor shall be residents of the state. *At least two members must reside outside the metropolitan area as defined in section 473.121, subdivision 2.* At least one of the members shall be a person having a favorable reputation for skill, knowledge, and experience in the field of state and municipal finance; and at least one shall be a person having a favorable reputation for skill, knowledge, and experience in the building construction field; and at least one of the members shall be a trustee, director, officer, or employee of an institution of higher education.

Subd. 1a. [PRIVATE COLLEGE COUNCIL MEMBER.] The chief executive officer of the Minnesota private college council shall serve, without compensation, as an advisory, non-voting member of the authority.

Subd. 2. [TERM; COMPENSATION; REMOVAL.] The membership terms, compensation, removal of members, and filling of vacancies for authority members other than the executive director of the higher education coordinating board or the director's designee, *and the chief executive officer of the private college council,* shall be as provided in section 15.0575.

Sec. 23. Minnesota Statutes 1982, section 136A.32, subdivision 7, is amended to read:

Subd. 7. The authority may invest any bond proceeds, sinking funds or reserves in any (GENERAL OBLIGATION OF THE UNITED STATES, THE STATE OF MINNESOTA OR ANY OF ITS MUNICIPALITIES AND IN SECURITIES ISSUED BY THE FOLLOWING AGENCIES OF THE UNITED STATES: FEDERAL HOME LOAN BANKS, FEDERAL INTERMEDIATE CREDIT BANKS, FEDERAL LAND BANKS, FEDERAL NATIONAL MORTGAGE ASSOCIATION, GOVERNMENT NATIONAL MORTGAGE ASSOCIATION, AND BANKS FOR COOPERATIVES) *securities authorized for investment of debt service funds of municipalities pursuant to section 475.66, subdivision 3, including securities described in section 475.67, subdivision 8.* In addition, such bond proceeds, sinking funds and reserves may be

(1) deposited in time deposits of any state or national bank subject to the limitations and requirements of chapter 118, or

(2) *invested in repurchase agreements with, providing for the repurchase of securities described in the preceding sentence by, a bank qualified as a depository of money of the authority, a national or state bank in the United States that is a member of the federal reserve system and whose combined capital and surplus equals or exceeds \$10,000,000, or a reporting dealer to the federal reserve bank of New York.* Power to make any such investment or deposit is subject to the provisions of any applicable covenant or restriction in a resolution or trust agreement of the authority.

Sec. 24. Minnesota Statutes 1982, section 136A.81, subdivision 1, is amended to read:

Subdivision 1. [FEES AND TUITION.] Except for an administration fee of \$6 a credit hour, to be collected only when a course is taken for credit, a senior citizen who is a legal resident of Minnesota is entitled without payment of tuition or activity fees to attend courses offered for credit, audit any courses offered for credit, or enroll in any noncredit adult vocational education courses in any state supported institution of higher education in Minnesota when space is available after all tuition-paying students have been accommodated. For the purposes of sections 136A.80 and 136A.81, the term "noncredit adult vocational education courses" shall not include those adult vocational education courses designed and offered specifically and exclusively for senior citizens.

The provisions of section 136A.80 and 136A.81 do not apply to noncredit courses designed and offered by the University of Minnesota, the state university system, the community college system, and the area vocational-technical institutes specifically and exclusively for senior citizens. Senior citizens enrolled under the provisions of sections 136A.80 and 136A.81 shall not be included by such institutions in their computation of full time equivalent students when requesting staff or appropriations. The enrollee shall pay laboratory or material fees.

Sec. 25. Minnesota Statutes 1982, section 169.966, subdivision 1a, is amended to read:

Subd. 1a. The state university board may establish rents, charges or fees (IN AN AMOUNT NOT TO EXCEED \$1 PER VEHICLE PER DAY) for the use of parking facilities owned, leased, occupied, or operated by the state university board. The money collected by the board as rents, charges or fees in accordance with this subdivision shall be deposited in the university activity fund and is annually appropriated to the state university board for state university purposes and to maintain and operate parking lots and parking facilities.

Sec. 26. Minnesota Statutes 1982, section 169.966, is amended by adding a subdivision to read:

Subd. 8. [DELEGATION.] The state university board may delegate its responsibilities under this section to a state university president. Actions of the president shall be presumed to be those of the board. The university president shall file with the board president the results of any public hearings and the subsequent adoption of any proposed rule, regulation, or ordinance enacted pursuant thereto.

Sec. 27. [FUND TRANSFER AUTHORIZATION.]

Subdivision 1. [INDEPENDENT SCHOOL DISTRICT NO. 573.] Notwithstanding any law to the contrary, by June 30, 1984, Independent School District No. 573, Hinckley, may permanently transfer up to \$900,000 from its general fund to its capital expenditure fund to provide partial funding for energy conservation, computer and other technological expansion, for facilities for a computer networking system, and to remodel and construct an addition to the elementary school.

Subd. 2. [LOCAL APPROVAL.] Subdivision 1 is effective the day after compliance by the school board of Independent School District No. 573 with Minnesota Statutes, section 645.021, subdivision 3.

Sec. 28. [FUND TRANSFER AUTHORIZATION.]

Subdivision 1. [INDEPENDENT SCHOOL DISTRICT NO. 4.] Notwithstanding any law to the contrary, for the school year 1984-1985 Independent School District No. 4, McGregor, may permanently transfer an amount not to exceed \$800,000 from the general fund to the capital expenditure fund for the purpose of fire safety and energy conservation expenditures and school building betterment.

Subd. 2. [NO LOCAL APPROVAL.] Pursuant to section 645.023, subdivision 1, clause (a), subdivision 1 is effective without local approval the day following final enactment.

Sec. 29. [EFFECTIVE DATE; APPLICATION.]

This article is effective the day following final enactment. Section 20 applies to members of the higher education coordinating board appointed following enactment of this act.

Sec. 30. [REPEALER.]

Minnesota Statutes 1982, sections 136.11, subdivision 6; and 136A.133, are repealed.

ARTICLE 5

HEALTH AND HUMAN SERVICES

Section 1. COMMISSIONER OF
PUBLIC WELFARE

The commissioner of public welfare shall phase in a change in departmental designation from "welfare" to "human services." To the extent possible, the commissioner shall exhaust existing forms and supplies and otherwise minimize the cost and disruption of the change.

The state share of money received under the state and local fiscal assistance act, known as the general revenue sharing program, shall be deposited in the medical assistance account and the state appropriation shall be reduced by a like amount.

(a) Implementation of Changes to the Long-Term Care Reimbursement System 64,000

(b) Nursing Home Audits 70,000

The appropriations listed in (a) and (b) are added to the appropriation in Laws 1983, chapter 312, article 1, section 2, subdivisions 1 and 3.

(c) Title XX correction 1,666,000

For the purpose of distribution to counties named in this clause as their final portion of title XX money for federal fiscal years 1980, 1981, and 1982. Notwithstanding the provisions of section 256E.07, these moneys shall be allocated by the commissioner as follows:

Aitkin	\$ 24,297
Carlton	13,048
Carver	15,378
Clearwater	17,026
Cook	3,989

Hennepin	859,760
Kanabec	6,936
Kittson	2,484
Koochiching	12,880
Lake	916
LeSueur	703
Mahnomen	1,726
Pine	25,647
Pope	2,213
Ramsey	374,137
Red Lake	1,993
St. Louis	300,775
Wright	2,345

Acceptance by a county of the amount specified in this clause constitutes an agreement that, for federal fiscal years 1980, 1981, and 1982, full and final payment of title XX money has been received of the state.

(d) Child Day Care Sliding Fee 1,500,000

(e) Hearing Impaired
Telecommunications 50,000

The appropriations listed in (c), (d), and (e) are added to the appropriation in Laws 1983, chapter 312, article 1, section 2, subdivisions 1 and 4.

(f) Medical Assistance
Demonstration Projects 589,000

\$49,000 of this sum shall be used to fund two staff positions, only one of which is to be classified, and the related administrative support costs to administer the Medi-

caid Prepayment Demonstration Project and the Social HMO Project, authorized by Minnesota Statutes, sections 256B.69 and 256B.71.

Notwithstanding Minnesota Statutes 1983 Supplement, section 256B.69, subdivision 3, the demonstration project geographic areas may include one urban, one suburban, and at least one rural county or some combination of suburban and rural counties.

\$270,000 of this sum shall be used to make grants to counties for administrative expenses incurred by counties participating in the demonstration projects.

\$270,000 of this sum is available only with the approval of the governor after consultation with the legislative advisory commission contingent on a finding by the commissioner of public welfare that the additional administrative costs are in fact being incurred by the participating counties.

(g) The temporary rules required to implement section 256B.501, subdivision 3, shall not be deemed invalid because of the commissioner's failure to promulgate them by October 1, 1983.

(h) General Assistance	7,741,000
(i) Fiscal Analysis Services	97,000
(j) Implementation of Health Care Policies	70,000

This appropriation shall be reduced if federal administrative reimbursement received is less than \$35,000.

Any unexpended balance remaining in the appropriation authorized by Laws 1983, chapter 199, section 20, does not cancel but is available for the second year of the biennium.

(k) Chronically Ill Children Waiver ..	35,000
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(l) Community-based Services for Disabled Persons Under Age 65	18,000
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The appropriations in (f), (h), (i), (j), (k), and (l) are added to the appropriation in Laws 1983, chapter 312, article 1, section 2, subdivisions 1 and 5.

(m) American Indian Chemical Dependency Services	200,000
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(n) Lakeside Chemical Dependency Center	250,000
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Notwithstanding Laws 1983, chapter 312, article 1, section 2, subdivision 6, or any other law to the contrary, the commissioner of welfare shall augment the program with federal money and any additional money provided through shared service agreements, pursuant to Minnesota Statutes, section 246.57, after the amount of the state appropriation has been recovered and deposited in the general fund. General fund expenditures shall not exceed the amount of service charges recovered. Program expenditures in excess of recoveries shall be funded with money received under the federal alcohol, drug abuse, and mental health block grant.

The commissioner shall maintain records of the operations of this project, evaluate the efficiency and effectiveness of the treatment program, and report back to the legislature during the 1985 session on the amount deposited to the general fund from the shared service agreements and the necessity and viability of operating this project in the future.

(o) Mash-Ka-Wisen Treatment Facility	200,000
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(p) Facilities for Adult Mentally Ill	2,217,000
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This appropriation is for grants to counties to upgrade residential facilities serving adult mentally ill persons as authorized by Minnesota Statutes, section 245.73.

(q) Study of Services for Mentally Ill Persons	56,700
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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.

Additionally, this report shall include these provisions, developed in consultation with counties, mental health service providers, mental health advocacy groups, and other appropriate professionals as follows:

(1) a description and definition of services for mentally ill persons which comprise a comprehensive array of preventive, supportive and rehabilitative services, including residential arrangements;

(2) recommendations specifying a minimum capability which should be made available by counties for mentally ill persons; and

(3) specific recommendations designed to improve the quality of and access to services provided by the counties for mentally ill persons, including the administrative and program costs of each recommendation.

These recommendations shall be developed within the framework of Minnesota Statutes, chapter 256E.

The appropriations in (m), (n), (o), (p), and (q) are added to the appropriation in Laws 1983, chapter 312, article 1, section 2, subdivisions 1 and 6.

(r) The commissioner of welfare may add: eight positions to the support services complement for rulemaking purposes and for long-term care rates determination; one position to the social services complement for adult services; and one position to the income maintenance complement for administering community-based waived services for chronically ill children. The commissioner may also transfer the necessary funds from supplies and ex-

pense and other nonsalary resources to finance these positions.

(s) Any federal money received in excess of the estimates shown in the 1983 department of public welfare budget document shall, unless otherwise prohibited by federal law, be used to directly reduce state appropriations for the same or similar purposes, unless otherwise directed by the governor, after he has consulted with the legislative advisory commission.

(t) Intermediate Care Facility Bed Reduction Study 45,000

The commissioner of public welfare shall study alternatives for the development of a statewide facility bed reduction plan for intermediate care facilities for the mentally retarded.

In this study, the commissioner shall consider mechanisms for encouraging facilities to voluntarily decertify beds and for enabling facilities to provide alternative or waived services for residents affected by the reduction.

In addition, the commissioner shall:

(a) propose relocation plans for affected residents;

(b) analyze the effect on facility per diem rates that may result from any bed reductions;

(c) examine financing alternatives designed to facilitate reductions in bed capacity or conversions to waived services.

This study shall be presented to the legislature by January 1, 1985.

Sec. 2. COMMISSIONER OF ECONOMIC SECURITY

(a) Jobs Program 30,000,000

Any unexpended balance remaining in the first year does not cancel and shall be available for the second year.

This appropriation is added to the appropriation in Laws 1983, chapter 312, article 1, section 3, subdivisions 1 and 2.

None of this appropriation 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.

(b) Minnesota Emergency Employment Development—Special Allowances 4,394,000 15,436,000

This appropriation is added to the appropriation in Laws 1983, chapter 312, article 1, section 3, subdivisions 1 and 3.

If the appropriation for either year is insufficient, the appropriation for the other year is available.

(c) Vocational Rehabilitation Services For Injured Workers 128,600

This appropriation is to provide funding for three positions. The commissioner of economic security may add six additional positions for vocational rehabilitation services and transfer the necessary funding for these positions from the basic client services activity to the workers' compensation activity. This appropriation is added to the appropriation in Laws 1983, chapter 312, article 1, section 3, subdivisions 1 and 5.

(d) Temporary Housing Demonstration Program 250,000

Sec. 3. COMMISSIONER OF CORRECTIONS

(a) County Probation Services 137,700

This appropriation is added to the appropriation in Laws 1983, chapter 312, article 1, section 4, subdivisions 1 and 4.

(b) Crime Victim Centers 15,000

This appropriation is added to the appropriation in Laws 1983, chapter 312, article 1, section 4, subdivision 4.

(c) \$20,000 of the appropriation for Victims of Sexual Assault, Laws 1983, chapter 312, article 1, section 4, subdivision 4, for fiscal year 1984, does not cancel but is available until June 30, 1985.

Sec. 4. COMMISSIONER OF HEALTH

(a) Epidemiologic Feasibility Study 93,000

This appropriation is added to the appropriation in Laws 1983, chapter 312, article 1, section 7, subdivisions 1 and 2, to determine the feasibility of full scale epidemiologic studies related to health effects of contaminated drinking water in New Brighton and St. Louis Park. To the extent possible, the commissioner of health shall contract for services with the University of Minnesota when performing the feasibility study. 2.2 positions are authorized as temporary personnel.

(b) Health Manpower Credentialing 100,000

This appropriation is added to the appropriation in Laws 1983, chapter 312, article 1, section 7, subdivisions 1 and 3.

Sec. 5. STATE PLANNING AGENCY

State Hospital Plan 50,000 200,000

The director of the state planning agency may increase the approved complement by two positions. Any unexpended balance remaining the first year does not cancel and shall be available for the second year.

Sec. 6. CONTINGENT FOR
STATE INSTITUTONS

Cancellation of Contingent Account . . . (500,000)

The appropriation in Laws 1983, chapter 312, article 1, section 9 is cancelled.

Sec. 7. Minnesota Statutes 1983 Supplement, section 116J-70, subdivision 2a, is amended to read:

Subd. 2a. [LICENSE; EXCEPTIONS.] "Business license" or "license" does not include the following:

(1) Any occupational license issued by a licensing board listed in section 214.01 or any occupational registration issued by the commissioner of health pursuant to section 214.13;

(2) Any license issued by a county, home rule charter city, statutory city, township or other political subdivision;

(3) Any license required to practice the following occupation regulated by the following sections:

(a) Abstracters regulated pursuant to chapter 386;

(b) Accountants regulated pursuant to chapter 326;

(c) Adjusters regulated pursuant to chapter 72B;

(d) Architects regulated pursuant to chapter 326;

(e) Assessors regulated pursuant to chapter 270;

(f) Attorneys regulated pursuant to chapter 481;

(g) Auctioneers regulated pursuant to chapter 330;

(h) Barbers regulated pursuant to chapter 154;

(i) Beauticians regulated pursuant to chapter 155;

(j) Boiler operators regulated pursuant to chapter 183;

(k) Chiropractors regulated pursuant to chapter 148;

(l) Collection agencies regulated pursuant to chapter 332;

(m) Cosmetologists regulated pursuant to chapter 155;

- (n) Dentists and dental hygienists regulated pursuant to chapter 150A;
- (o) Detectives regulated pursuant to chapter 326;
- (p) Electricians regulated pursuant to chapter 326;
- (q) Embalmers regulated pursuant to chapter 149;
- (r) Engineers regulated pursuant to chapter 326;
- (s) Insurance brokers and salespersons regulated pursuant to chapter 60A;
- (t) Midwives regulated pursuant to chapter 148;
- (u) Morticians regulated pursuant to chapter 149;
- (v) Nursing home administrators regulated pursuant to chapter 144A;
- (w) Optometrists regulated pursuant to chapter 148;
- (x) Osteopathic physicians regulated pursuant to chapter 147;
- (y) Pharmacists regulated pursuant to chapter 151;
- (z) Physical therapists regulated pursuant to chapter 148;
- (aa) Physicians and surgeons regulated pursuant to chapter 147;
- (bb) Plumbers regulated pursuant to chapter 326;
- (cc) Podiatrists regulated pursuant to chapter 153;
- (dd) Practical nurses regulated pursuant to chapter 148;
- (ee) Professional fundraisers regulated pursuant to chapter 309;
- (ff) Psychologists regulated pursuant to chapter 148;
- (gg) Real estate brokers, salespersons and others regulated pursuant to chapters 82 and 83;
- (hh) Registered nurses regulated pursuant to chapter 148;
- (ii) Securities brokers, dealers, agents and investment advisers regulated pursuant to chapter 80A;

- (jj) Steamfitters regulated pursuant to chapter 326;
- (kk) Teachers and supervisory and support personnel regulated pursuant to chapter 125;
- (ll) Veterinarians regulated pursuant to chapter 156;
- (mm) Watchmakers regulated pursuant to chapter 326;
- (nn) Water conditioning contractors and installers regulated pursuant to chapter 326;
- (oo) Water well contractors regulated pursuant to chapter 156A;
- (pp) Water and waste treatment operators regulated pursuant to chapter 115;
- (qq) Motor carriers regulated pursuant to chapter 221;
- (4) Any driver's license required pursuant to chapter 171;
- (5) Any aircraft license required pursuant to chapter 360;
- (6) Any watercraft license required pursuant to chapter 361;
- (7) Any license, permit, registration, certification, or other approval pertaining to a regulatory or management program related to the protection, conservation, or use of or interference with the resources of land, air or water, which is required to be obtained from a state agency or instrumentality; and
- (8) Any pollution control rule or standard established by the pollution control agency or any health rule or standard established by the commissioner of health *or any licensing rule or standard established by the commissioner of public welfare.*

Sec. 8. Minnesota Statutes 1983 Supplement, section 144.651, subdivision 9, is amended to read:

Subd. 9. [INFORMATION ABOUT TREATMENT.] Patients and residents shall be given by their physicians complete and current information concerning their diagnosis, treatment, alternatives, risks, and prognosis as required by the physician's legal duty to disclose. This information shall be in terms and language the patients or residents can reasonably be expected to understand. Patients and residents may be accompanied by a family member or other chosen representative. This information shall include the likely medical or major psychological results of the treatment and its alternatives. In cases where it is medically

inadvisable, as documented by the attending physician in a patient's or resident's medical record, the information shall be given to the patient's or resident's guardian or other person designated by the patient or resident as his or her representative. Individuals have the right to refuse this information.

Every patient or resident suffering from any form of breast cancer shall be fully informed, prior to or at the time of admission and during her stay, of all alternative effective methods of treatment of which the treating physician is knowledgeable, including surgical, radiological, or chemotherapeutic treatments or combinations of treatments and the risks associated with each of those methods.

Sec. 9. Minnesota Statutes 1982, section 214.001, subdivision 2, is amended to read:

Subd. 2. [CRITERIA FOR REGULATION.] The legislature declares that no regulation shall (HEREAFTER) be imposed upon any occupation unless required for the safety and well being of the citizens of the state. In evaluating whether an occupation shall (HEREAFTER) be regulated, the following factors shall be considered:

(a) Whether the unregulated practice of an occupation may harm or endanger the health, safety and welfare of citizens of the state and whether the potential for harm is recognizable and not remote;

(b) Whether the practice of an occupation requires specialized skill or training and whether the public needs and will benefit by assurances of initial and continuing occupational ability; (AND)

(c) Whether the citizens of this state are or may be effectively protected by other means; and

(d) *Whether the overall cost effectiveness and economic impact would be positive for citizens of the state.*

Sec. 10. Minnesota Statutes 1983 Supplement, section 214.06, subdivision 1, is amended to read:

Subdivision 1. Notwithstanding any law to the contrary, the commissioner of health as authorized by section 214.13, all health related licensing boards and all nonhealth related licensing boards shall by rule, with the approval of the commissioner of finance, adjust any fee which the *commissioner of health or the board* is empowered to assess a sufficient amount so that the total fees collected by each board will as closely as possible equal anticipated expenditures during the fiscal biennium, as provided in section 16A.128. *For members of an occupation registered*

after July 1, 1984 by the commissioner of health under the provisions of section 214.13, the fee established must include an amount necessary to recover, over a five year period, the commissioner's direct expenditures for adoption of the rules providing for registration of members of the occupation. All fees received shall be deposited with the state treasurer and credited to the general fund.

Sec. 11. Minnesota Statutes 1982, section 214.13, subdivision 1, is amended to read:

Subdivision 1. [APPLICATION FOR CREDENTIAL.] The commissioner of health shall promote the recognition of human services occupations useful in the effective delivery of human services. The commissioner shall coordinate the development of a credentials policy among the health related licensing boards consistent with section 214.001. The commissioner shall, consistent with section 214.001, establish procedures for the identification of human services occupations not now credentialed by the state, recommend appropriate regulatory modes, and promulgate by rule standards and procedures relating to the credentialing of persons practicing in the affected occupations. *At the time of submission of a letter of intent to enter the credentialing process, an occupational applicant group shall pay a fee of \$1,000 to the commissioner. The fee is nonrefundable and must be deposited with the state treasurer and credited to the general fund. The commissioner may require an occupational applicant group to submit information relating to, and to recommend and justify regulatory modes and standards consistent with, the provisions of section 214.001. If the commissioner determines that credentialing of an occupation is appropriate, the commissioner is empowered only to register the occupation. Before promulgating any rules resulting in registration for an occupation the commissioner shall consult with state boards or agencies charged with regulating similar occupations in order to define the scope and range of practice for the registered occupation and the degree of supervision required. As used in this section and section 214.14, registration (SHALL BE) is defined as in section 214.001, subdivision 3, clause (c).*

Sec. 12. Minnesota Statutes 1982, section 214.13, subdivision 2, is amended to read:

Subd. 2. [OTHER AGENCY'S COMMENT.] Before promulgating any rules regulating a specific occupation under this section, the commissioner shall determine whether a substantial number of persons in that occupation will be employed by an employer who is regulated by or funded through another state agency. If the commissioner so determines, then he must submit the proposed rules to the head or governing board of that agency for review and (APPROVAL) *comment*. The agency shall review the rules to insure compliance with laws which are administered or enforced by that agency. (THE RULES MUST HAVE

RECEIVED THE APPROVAL OF THAT AGENCY BEFORE PROMULGATION) *Agency comment shall be forwarded to the commissioner within 90 days of receiving the proposed rules. After receipt of agency comment, the commissioner may proceed to promulgate the rules.*

Sec. 13. Minnesota Statutes 1982, section 214.13, subdivision 3, is amended to read:

Subd. 3. [RULES; EFFECT; REPORT.] Rules promulgated by the commissioner pursuant to subdivision 1 may include procedures and standards relating to the registration requirement, the scope of authorized practice, fees, supervision required, continuing education, career progression and disciplinary matters. (THESE RULES SHALL NOT BE IN CONFLICT WITH PROVISIONS OF CHAPTER 214 AND LAWS 1976, CHAPTER 222, SECTIONS 1 TO 7.) *Notwithstanding any law to the contrary, persons registered under the authority of the rules promulgated by the commissioner shall not, for a period of four years after the effective date of the rules, be subject to any action by a health related licensing board for violation of the board's laws or rules provided the person's practice or conduct is recognized by the rules promulgated by the commissioner. Three years after the effective date of the commissioner's rules, the commissioner shall make a report to the legislature on the usefulness of the new occupational group, any problems encountered in administering the regulation of the group, and any necessary statutory changes recommended to continue, discontinue, or modify the regulation of the group.*

Sec. 14. Minnesota Statutes 1983 Supplement, section 214.13, subdivision 4, is amended to read:

Subd. 4. The commissioner of health shall wherever possible delegate the administration of regulation activities to a health related licensing board with the concurrence of that board. If the commissioner of health delegates this function, the licensing board (SHALL) *may* regularly bill the commissioner of health for the cost of performing this function *the licensing board may directly set and charge fees in accordance with the provisions of section 214.06.* The commissioner of health may establish an advisory (TASK FORCE) *council* to advise him or the appropriate health related licensing board on matters relating to the registration and regulation of an occupation. A (TASK FORCE) *council* shall have seven members appointed by the commissioner of which five are members of the registered occupation or related registered or licensed occupations, and two are public members. A (TASK FORCE) *council* shall expire, and the terms, compensation and removal of members shall be as provided in section 15.059.

Sec. 15. Minnesota Statutes 1982, section 214.13, subdivision 5, is amended to read:

Subd. 5. [RECOMMENDATION ON REGULATION; APPLICATION RENEWAL.] The commissioner of health shall exercise care to prevent the proliferation of unessential registered human services occupations. If in evaluating a currently unregistered occupation the commissioner determines that registration of the occupation is not appropriate, but that implementation of another mode as set forth in section 214.001, subdivision 3, is appropriate the commissioner shall promptly so report to the legislature. *For a period of two years after a determination by the commissioner as to the appropriate regulatory mode, if any, for an occupational applicant group, the same or substantially equivalent group may not submit a letter of intent to enter the credentialing process, unless invited to do so by the commissioner.*

Sec. 16. [214.141] [ADVISORY COUNCIL; MEMBERSHIP.]

There is established a human services occupations advisory council to assist the commissioner of health in formulating policies and rules pursuant to section 214.13. The commissioner shall determine the council's duties and shall establish procedures for its proper functioning, including, but not limited to, methods for selecting temporary members and methods of communicating recommendations and advice to the commissioner for his consideration. The council shall consist of no more than 15 members. Thirteen members shall be appointed by the commissioner, one of whom the commissioner shall designate as chairman. The members shall be selected as follows: four members shall represent currently licensed or registered human services occupations; two members shall represent human services occupations which are not currently registered; two members shall represent licensed health care facilities, which can include a health maintenance organization as defined in section 62D.02; one member shall represent the higher education coordinating board; one member shall represent the state planning agency; one member shall represent a third party payor to health care costs; and two members shall be public members as defined by section 214.02.

In cases in which the council has been charged by the commissioner to evaluate an application submitted under the provisions of section 214.13, the commissioner may appoint to the council as temporary voting members, for the purpose of evaluating that application alone, one or two representatives from among the appropriate licensed or registered human services occupations or from among the state agencies that have been identified under section 214.13, subdivision 2. In determining whether a temporary voting member or members should be appointed and which human services occupations or state agencies should be represented by temporary voting members, the commissioner shall attempt to systematically involve those who would be most directly affected by a decision to credential a particular applicant group and who are not already represented on the

council. The terms of temporary voting members shall not exceed 12 months. The terms of the other council members, and the compensation and removal of all members, shall be as provided in section 15.059.

Sec. 17. Minnesota Statutes 1982, section 241.66, subdivision 2, is amended to read:

Subd. 2. [MANDATORY DATA COLLECTION.] (EVERY HOSPITAL LICENSED PURSUANT TO SECTIONS 144.50 TO 144.58, EVERY PHYSICIAN LICENSED TO PRACTICE IN THIS STATE, EVERY PUBLIC HEALTH NURSE, EVERY SOCIAL SERVICES AGENCY, EVERY COMMUNITY HEALTH AGENCY, AND) Every local law enforcement agency shall collect data related to battered women in the form required by (RULE OF) the commissioner. The data shall be collected and transmitted to the commissioner at such times as he shall, by rule, require.

Sec. 18. Minnesota Statutes 1982, section 245.811, is amended to read:

245.811 [FEES.]

Subdivision 1. [COMMISSIONER'S AUTHORITY.] The commissioner may charge a reasonable fee for the issuance or renewal of a license except that no fee may be charged (TO A DAY CARE OR RESIDENTIAL FACILITY FOR THE MENTALLY RETARDED) for a family foster care or family day care home license. (IN NO EVENT SHALL THE FEE EXCEED \$150.) Fees may be waived at the discretion of the commissioner.

Subd. 2. [RULES.] The commissioner may adopt reasonable rules and regulations pursuant to chapter 14 as may be necessary to carry into effect the provisions of subdivision 1.

Sec. 19. [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 institutional care 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; and

(6) the energy efficiency of all state hospital buildings.

Notwithstanding the provisions of sections 13.43 and 13.46, 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 to carry out the mandates of this act until June 30, 1985.

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 to the mentally retarded;*

(3) *negotiated agreements with exclusive representatives addressing job security issues, where deinstitutionalization causes displacement of employees;*

(4) *development of noninstitutional, state-operated or non-state-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 program reductions in the regional state facility.*

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 31, 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 including, if appropriate, pilot demonstration projects.*

Sec. 20. [LEGISLATIVE COMMISSION ON LONG-TERM CARE.]

The legislative commission on long-term health care authorized by Laws 1983, chapter 199, section 17, shall:

(1) *monitor the deinstitutionalization of state hospitals in accord with the plan developed pursuant to section 19;*

(2) *study the impact of state hospital deinstitutionalization on affected communities;*

(3) *ensure that displaced state hospital employees are provided opportunities for reemployment or retraining; and*

(4) *evaluate the comparative costs to the state of institutional and noninstitutional care for mentally retarded persons.*

Sec. 21. Minnesota Statutes 1983 Supplement, section 256.01, subdivision 2, is amended to read:

Subd. 2. [SPECIFIC POWERS.] Subject to the provisions of section 241.021, subdivision 2, the commissioner of public welfare shall:

(1) Administer and supervise all forms of public assistance provided for by state law and other welfare activities or services as are vested in the commissioner.

(2) Administer and supervise all child welfare activities; promote the enforcement of laws protecting handicapped, dependent, neglected and delinquent children, and children born to mothers who were not married to the children's fathers at the times of the conception nor at the births of the children; license and supervise child-caring and child-placing agencies and institutions; supervise the care of children in boarding and foster homes or in private institutions; and generally perform all functions relating to the field of child welfare now vested in the state board of control.

(3) Administer and supervise all noninstitutional service to handicapped persons. The commissioner may provide and contract for the care and treatment of qualified indigent children in facilities other than those located and available at state hospitals when it is not feasible to provide the service in state hospitals.

(4) Assist and actively cooperate with other departments, agencies and institutions, local, state, and federal, by performing services in conformity with the purposes of Laws 1939, chapter 431.

(5) Act as the agent of and cooperate with the federal government in matters of mutual concern relative to and in conformity with the provisions of Laws 1939, chapter 431, including the administration of any federal funds granted to the state to aid in the performance of any functions of the commissioner as specified in Laws 1939, chapter 431, and including the promulgation of rules making uniformly available medical care benefits to all recipients of public assistance, at such times as the federal government increases its participation in assistance expendi-

tures for medical care to recipients of public assistance, the cost thereof to be borne in the same proportion as are grants of aid to said recipients.

(6) Establish and maintain any administrative units reasonably necessary for the performance of administrative functions common to all divisions of the department.

(7) Administer and supervise any additional welfare activities and services as are vested by law in the department.

(8) The commissioner is designated as guardian of both the estate and the person of all the wards of the state of Minnesota, whether by operation of law or by an order of court, without any further act or proceeding whatever, except as to persons committed as mentally retarded or epileptic.

(9) Act as coordinating referral and informational center on requests for service for newly arrived immigrants coming to Minnesota.

(10) The specific enumeration of powers and duties as hereinabove set forth shall in no way be construed to be a limitation upon the general transfer of powers herein contained.

(11) Establish county, regional, or state-wide schedules of maximum fees and charges which may be paid by local agencies for medical, dental, surgical, hospital, nursing and nursing home care and medicine and medical supplies under all programs of medical care provided by the state and for congregate living care under the income maintenance programs.

(12) Have the authority to conduct and administer experimental projects to test methods and procedures of administering assistance and services to recipients or potential recipients of public welfare. To carry out such experimental projects, it is further provided that the commissioner of public welfare is authorized to waive the enforcement of existing specific statutory program requirements, regulations, and standards in one or more counties. The order establishing the waiver shall provide alternative methods and procedures of administration, shall not be in conflict with the basic purposes, coverage, or benefits provided by law, and in no event shall the duration of a project exceed two years. It is further provided that no order establishing an experimental project as authorized by the provisions of this section shall become effective until the following conditions have been met:

(a) The proposed comprehensive plan including estimated project costs and the proposed order establishing the waiver

shall be filed with the secretary of the senate and chief clerk of the house of representatives at least 60 days prior to its effective date.

(b) The secretary of health, education, and welfare of the United States has agreed, for the same project, to waive state plan requirements relative to state-wide uniformity.

(c) A comprehensive plan, including estimated project costs, shall be approved by the legislative advisory commission and filed with the commissioner of administration.

(13) In accordance with federal requirements establish procedures to be followed by local welfare boards in creating citizen advisory committees, including procedures for selection of committee members.

(14) Allocate federal fiscal disallowances or sanctions which are based on quality control error rates for the aid to families with dependent children, medical assistance, or food stamp program in the following manner:

(a) One-half of the total amount of the disallowance shall be borne by the county boards responsible for administering the programs and shall be shared by each county board in the same proportion as that county's expenditures for the sanctioned program are to the total of all counties' expenditures for that program. Each county shall pay its share of the disallowance to the state of Minnesota. When a county fails to pay the amount due hereunder, the commissioner may deduct the amount from reimbursement otherwise due the county, or the attorney general, upon the request of the commissioner, may institute civil action to recover the amount due.

(b) Notwithstanding the provisions of paragraph (a), if the disallowance results from knowing noncompliance by one or more counties with a specific program instruction, and that knowing noncompliance is a matter of official county board record, the commissioner may require payment or recover from the county or counties, in the manner prescribed in paragraph (a), an amount equal to the portion of the total disallowance which resulted from the noncompliance, and may distribute the balance of the disallowance according to paragraph (a).

(15) *Develop and implement special projects that maximize reimbursements and result in the recovery of money to the state. For the purpose of recovering state money, the commissioner may enter into contracts with third parties. Any recoveries that result from projects or contracts entered into under this paragraph shall be deposited in the state treasury and credited to a special account until the balance in the account reaches \$400,000. When the balance in the account exceeds \$400,000, the excess shall be transferred and credited to the general fund.*

All money in the account is appropriated to the commissioner for the purposes of this paragraph.

Sec. 22. 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 that were approved by 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 representative. 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. 23. Minnesota Statutes 1982, section 256.851, is amended to read:

256.851 [RULES.]

The commissioner of public welfare shall promulgate temporary and permanent rules necessary to implement Laws 1981, Third Special Session Chapter 3, Sections 1 to 19, and sections 256.72 to 256.871.

Sec. 24. [256B.49] [CHRONICALLY ILL CHILDREN; HOME AND COMMUNITY-BASED WAIVER STUDY AND APPLICATION.]

Subdivision 1. [STUDY; WAIVER APPLICATION.] The commissioner shall authorize a study to assess the need for home and community-based waivers for chronically ill children who have been and will continue to be hospitalized without a waiver, and for disabled individuals under the age of 65 who are likely to reside in an acute care or nursing home facility in the absence of a waiver. If a need for these waivers can be demonstrated, the commissioner shall apply for federal waivers necessary to secure, to the extent allowed by law, federal participation under United States Code, title 42, sections 1396-1396p, as amended through December 31, 1982, for the provision of home and community-based services to chronically ill children who, in the absence of such a waiver, would remain in an acute care setting, and to disabled individuals under the age of 65 who, in the absence of a waiver, would reside in an acute care or nursing home setting. If the need is demonstrated, the commissioner shall request a waiver under United States Code, title 42, sections 1396-1396p, to allow medicaid eligibility for blind or disabled children with ineligible parents where income deemed from the parents would cause the applicant to be ineligible for supplemental security income if the family shared a household and to furnish necessary services in the home or community to disabled individuals under the age of 65 who would be eligible for medicaid if institutionalized in an acute care or nursing home setting. These waivers are requested to furnish necessary services in the home and community setting to children or disabled adults under age 65 who are medicaid eligible when institutionalized in an acute care or nursing home setting. The commissioner shall assure that the cost of home and community-based care will not be more than the cost of care if the eligible child or disabled adult under age 65 were to remain institutionalized.

Subd. 2. [RULES.] The commissioner of public welfare may adopt temporary and permanent rules as necessary to implement subdivision 1.

Sec. 25. Minnesota Statutes 1983 Supplement, section 256B.-501, subdivision 10, is amended to read:

Subd. 10. [RULES.] To implement this section, the commissioner shall promulgate temporary and permanent rules in accordance with chapter 14. To implement subdivision 3, the commissioner shall promulgate temporary rules (BY OCTOBER 1, 1983,) and permanent rules in accordance with sections 14.01 to 14.38. Notwithstanding the provisions of section 14.35, the temporary rule promulgated to implement subdivision 3 shall be effective for up to 720 days.

Sec. 26. 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 or who receives AFDC. If the responsible relative is receiving AFDC, 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. 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 in an amount such that total household income is equal to the AFDC standard for a household of like size and composition, except that the grant shall not exceed that paid to a general assistance recipient living independently.

(b) Benefits received by a responsible relative under the supplemental security income program, the social security disability program, a workers' compensation program, the Minne-

sota supplemental aid program, or on the basis of the relative's disability, must not be included in the household income calculation.

Subd. 1b. [RULES.] The commissioner shall adopt temporary and permanent rules to set standards of assistance and methods of calculating payment 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. 27. 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. 28. 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, must be included as income.*

Sec. 29. 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. 30. Minnesota Statutes 1983 Supplement, section 256D.-03, subdivision 4, is amended to read:

Subd. 4. [GENERAL ASSISTANCE MEDICAL CARE; SERVICES.] (a) Reimbursement under the general assistance medical care program shall be limited to the following categories of service: inpatient hospital care, outpatient hospital care, services provided by medicare certified rehabilitation agencies, prescription drugs, *equipment necessary to administer insulin and diagnostic supplies and equipment for diabetics to monitor blood sugar level, eyeglasses and eye examinations provided by a physician or optometrist, hearing aids, prosthetic devices, laboratory and x-ray services, physician's services, medical transportation, and dental care.* In addition, payments of state aid shall be made for day treatment services provided by a mental health center established under sections 245.61 to 245.69, subdivision 1, and funded through chapter 256E and for prescribed medications for persons who have been diagnosed as mentally ill as necessary to prevent more restrictive institutionalization.

(b) In order to contain costs, the county board shall, with the approval of the commissioner of public welfare, select vendors of medical care who can provide the most economical care consistent with high medical standards and may contract with organizations on a prepaid capitation basis to provide these services. The commissioner shall encourage county boards to submit proposals for demonstration projects designed to provide services in an economical manner or to control utilization, with safeguards to ensure that necessary services are provided. Payment for services provided pursuant to this subdivision shall be as provided to medical assistance vendors of these services under section 256B.02, subdivision 8, except that where counties enter into prepaid capitation agreements, payments shall be as provided in section 256.966, subdivision 2.

(c) The commissioner of public welfare may reduce payments provided under sections 256D.01 to 256D.21 and 261.23 in order to remain within the amount appropriated for general

assistance medical care, within the following restrictions. For the period July 1, 1983 to June 30, 1984, reductions below the cost per service unit allowable under section 256.966, are permitted only as follows: payments for inpatient and outpatient hospital care provided in response to a primary diagnosis of chemical dependency or mental illness may be reduced no more than 45 percent; payments for all other inpatient hospital care may be reduced no more than 35 percent. Reductions below the payments allowable under section 256.967 for the remaining general assistance medical care services allowable under this subdivision may be reduced no more than 25 percent. For the period July 1, 1984 to June 30, 1985, reductions below the cost per service unit allowable under section 256.966 are permitted only as follows: payments for inpatient and outpatient hospital care provided in response to a primary diagnosis of chemical dependency or mental illness may be reduced no more than 30 percent; payments for all other inpatient hospital care may be reduced no more than 20 percent. Reductions below the payments allowable under section 256.967 for the remaining general assistance medical care services allowable under this subdivision may be reduced no more than ten percent. There shall be no copayment required of any recipient of benefits for any services provided under this subdivision. *A hospital receiving a reduced payment as a result of this section may apply the unpaid balance toward satisfaction of the hospital's bad debts.*

(d) Any county may, from its own resources, provide medical payments for which state payments are not made.

Sec. 31. Minnesota Statutes 1982, section 256D.06, subdivision 3, is amended to read:

Subd. 3. When a general assistance grant is used to pay a negotiated rate for a recipient living in a room and board arrangement or congregate living care, *or when a recipient is living in a state hospital or nursing home, the recipient shall receive an allowance for clothing and personal needs and the allowance shall not be less than that authorized for a medical assistance recipient pursuant to section 256B.35.*

Sec. 32. 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 per-

manent 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 local agencies.*

Sec. 33. Minnesota Statutes 1983 Supplement, section 256D.111, is amended by adding a subdivision to read:

Subd. 1a. [REFERRAL TO THE MINNESOTA EMERGENCY DEVELOPMENT PROGRAM.] Until December 31, 1985, the commissioner of economic security shall refer for services, under the Minnesota emergency employment development program, all persons required to register for work under this section.

Sec. 34. 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) *who has substantial barriers to employment, including but not limited to factors relating to work or training history, as determined by the local agency in accordance with permanent or temporary rules adopted by the commissioner after consultation with the commissioner of economic security; or*

(l) *a person who is certified by the commissioner of economic security as lacking work skills or training or as being unable to obtain work skills or training necessary to secure employment, as defined in a permanent or temporary rule adopted by the commissioner of economic security in consultation with the commissioner.*

The exemption of a person described in clause (k) or (l) shall be reassessed annually.

Sec. 35. 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 deter-

mined 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. 36. Minnesota Statutes 1983 Supplement, section 256D.112, is amended to read:

256D.112 [TEMPORARY AUTHORITY TO REFER CERTAIN RECIPIENTS TO COMMISSIONER OF ECONOMIC SECURITY.]

Until September 30, 1984, the local agency shall refer a recipient to the commissioner of economic security for services under the Minnesota Emergency Employment Development Act jobs program upon the payment to the recipient of a one-month grant. A referral shall be in writing; shall describe the jobs program for which the referral is being made; shall state the address of the office to which the recipient is being referred; and shall state that if the recipient is not accepted for participation in the jobs program, the recipient should return to the local agency. Notwithstanding the provisions of section 256D.111, subdivision 3, and section 256D.10, assistance to a general assistance recipient referred to the commissioner of economic security pursuant to this section shall be suspended at the time of the referral for a period of 30 days following the period for which a grant has been issued. If the recipient does not return to the local agency within the 30-day period, assistance shall be terminated. This section does not apply:

(1) to persons that the commissioner of economic security has determined, pursuant to section 268.80, are not eligible for the Minnesota Emergency Employment Development jobs program; are not likely to secure a job through the jobs program; or are not able to successfully perform a job available through the jobs program;

(2) to persons who are recipients of general assistance on October 1, 1983; and

(3) to persons whom the local agency has substantial reason to believe are covered by section 256D.111, subdivision 2.

Nothing in this section shall be construed as prohibiting any recipient who has not been referred by the local agency from applying to the commissioner of economic security for services under the Minnesota emergency employment development jobs program. The local agency shall provide to all recipients a written description of the Minnesota emergency employment development jobs program.

(UPON RECEIPT OF NOTICE FROM THE COMMISSIONER OF PUBLIC WELFARE THAT THE MINNESOTA EMERGENCY EMPLOYMENT DEVELOPMENT JOBS PROGRAM IS TERMINATED) *After September 30, 1984*, this section is ineffective and the local agency shall not refer any recipient to the commissioner of economic security under this section.

Sec. 37. 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.*

Sec. 38. Minnesota Statutes 1982, section 256E.03, subdivision 2, is amended to read:

Subd. 2. "Community social services" means services provided or arranged for by county boards to fulfill the responsibilities prescribed in section 256E.08, subdivision 1 to the following groups of persons:

(a) Families with children under age 18, who are experiencing child dependency, neglect or abuse, and also pregnant adolescents, adolescent parents under the age of 18, and their children;

(b) Persons who are under the guardianship of the commissioner of public welfare as dependent and neglected wards;

(c) Adults who are in need of protection and vulnerable as defined in section 626.557;

(d) Persons age 60 and over who are experiencing difficulty living independently and are unable to provide for their own needs;

(e) Emotionally disturbed children and adolescents, chronically and acutely mentally ill persons who are unable to provide for their own needs or to independently engage in ordinary community activities;

(f) Mentally retarded persons as defined in section 252A.02, subdivision 2 who are unable to provide for their own needs or to independently engage in ordinary community activities;

(g) Drug dependent and intoxicated persons as defined in section 254A.02, subdivisions 5 and 7, and persons at risk of harm to self or others due to the ingestion of alcohol or other drugs; (AND)

(h) *Parents whose income is at or below 70 percent of the state median income and who are in need of child care services in order to secure or retain employment or to obtain the training or education necessary to secure employment; and*

(i) Other groups of persons who, in the judgment of the county board, are in need of social services.

Community social services do not include public assistance programs known as aid to families with dependent children, Minnesota supplemental aid, medical assistance, general assistance, general assistance medical care, or community health services authorized by sections 145.911 to 145.922.

Sec. 39. Minnesota Statutes 1982, section 256E.07, subdivision 1, is amended to read:

Subdivision 1. [FORMULA.] In federal fiscal year (1980) 1985 and subsequent years, money for social services that is received from the federal government to reimburse counties for social service expenditures pursuant to title XX of the social security act shall be allocated to each county according to the following formula:

(a) Two-thirds shall be allocated on the basis of the annual average number of unduplicated active *monthly* caseloads in each county in the following programs: aid to families with dependent children, medical assistance, *general assistance*, supplementary security income, and Minnesota supplemental aid.

(b) One-third shall be allocated on the basis of the number of persons residing in the county as determined by the most recent (DATA) *estimate* of the state demographer.

(c) The commissioner shall allocate to the counties pursuant to this section the total money received from the federal gov-

ernment for social services pursuant to title XX of the social security act, except that portion of the state's allocation which the legislature authorizes for administrative purposes and for migrant day care.

((D) IN FEDERAL FISCAL YEAR 1980 AND IN SUBSEQUENT YEARS THE MINIMUM TITLE XX SHARE OF A COUNTY SHALL BE THE SUM OF:)

((1) THE TITLE XX EARNINGS OF THAT COUNTY IN CALENDAR YEAR 1978, EXCEPT THAT IN THE COUNTIES OF HENNEPIN, RAMSEY AND ST. LOUIS THE GREATER OF 99 PERCENT OF THEIR TITLE XX EARNINGS IN CALENDAR YEAR 1978 OR 99 PERCENT OF THEIR ALLOCATION IN FEDERAL FISCAL YEAR 1979; AND)

((2) ONE-HALF OF THE AMOUNT THAT THE COUNTY WOULD BE ENTITLED TO BY APPLYING THE ALLOCATION FORMULA DESCRIBED IN PARAGRAPHS (A), (B), AND (C) TO THE AMOUNT OF TITLE XX MONEY RECEIVED BY THE STATE WHICH IS IN EXCESS OF THE STATE'S 1979 FEDERAL FISCAL YEAR ALLOCATION.)

(IF THE AMOUNT ALLOCATED TO ANY COUNTY PURSUANT TO PARAGRAPHS (A), (B), AND (C) IS LESS THAN THE MINIMUM TITLE XX SHARE OF THAT COUNTY, ITS ALLOCATION SHALL BE RAISED TO ITS MINIMUM TITLE XX SHARE THROUGH A PERCENT REDUCTION APPLIED TO THE AMOUNTS THAT ALLOCATIONS TO OTHER COUNTIES EXCEED THEIR MINIMUM TITLE XX SHARES. IF IN ANY YEAR THE AMOUNT OF TITLE XX FUNDS TO THE STATE IS REDUCED BELOW THE LEVEL IT RECEIVED IN FEDERAL FISCAL YEAR 1979, THE GUARANTEE PROVIDED IN THIS PARAGRAPH SHALL BE REDUCED BY A PERCENTAGE REDUCTION EQUAL TO THE PERCENTAGE REDUCTION IN TITLE XX MONEY TO THE STATE AS A WHOLE. THE COMMISSIONER OF PUBLIC WELFARE SHALL ANNUALLY REVIEW THE USE OF TITLE XX MONEY BY EACH COUNTY AND REALLOCATE UNUSED MONEY AMONG THE OTHER COUNTIES, EXCEPT HENNEPIN, RAMSEY AND ST. LOUIS COUNTIES, SO AS TO RAISE THEM TO THEIR EARNINGS IN FEDERAL FISCAL YEAR 1979. ANY FEDERAL TITLE XX MONEY UNUSED AFTER THIS REALLOCATION SHALL BE REALLOCATED BY THE COMMISSIONER ACCORDING TO THE FORMULA IN PARAGRAPHS (A), (B), AND (C) SO THAT ALL AVAILABLE FEDERAL MONEY IS USED WITHIN THE FEDERAL FISCAL YEAR.)

Sec. 40. Minnesota Statutes 1982, section 256E.07, is amended by adding a subdivision to read:

Subd. 1a. [PHASE-IN.] Notwithstanding the provisions of subdivision 1, the allocation formula for federal fiscal years 1985 through 1993 is as follows:

(a) Whenever the amount of federal title XX funds available for allocation to counties is the same as the amount available in the previous fiscal year:

(1) Each county's current year formula share shall be determined pursuant to subdivision 1;

(2) For all counties whose previous year allocation exceeds its current year formula share, the difference shall be divided by the number of years remaining until federal fiscal year 1994; the resulting amount shall be subtracted from the previous year allocation to obtain the final allocation;

(3) For all counties whose current year formula share equals or exceeds its previous year allocation, any difference shall be divided by the number of years remaining until federal fiscal year 1994. The resulting amount shall be added to the previous year allocation to obtain the final allocation.

(b) Whenever the amount of federal title XX funds available for allocation to counties is less than the amount available in the previous year, the procedure described in clause (a) shall be followed, except that each county's previous year allocation shall mean its actual previous year allocation reduced in proportion to the reduction in federal fund availability.

(c) Whenever the amount of federal title XX funds available for allocation to counties is greater than the amount available in the previous year, the procedure described in clause (a) shall be followed, except that each county's previous year allocation shall mean:

(1) the actual previous year allocation; plus

(2) the amount to which the county would be entitled by apportioning 40 percent of the excess federal funds available according to the distribution formula contained in subdivision 1; plus

(3) for all counties whose current year formula share exceeds the amount prescribed by items (1) and (2) of this paragraph, the amount to which the county would be entitled by apportioning the remaining 60 percent of the excess federal funds available among the remaining counties according to the distribution formula contained in subdivision 1.

For the purposes of the federal fiscal year 1985 allocation, the federal fiscal year 1982 corrected allocation shall be considered the previous year allocation.

Sec. 41. Minnesota Statutes 1982, section 256E.07, is amended by adding a subdivision to read:

Subd. 1b. [UNUTILIZED FUNDS.] The commissioner of public welfare shall annually review the use of title XX allocations by county and, pursuant to the formula found in subdivision 1, reallocate unused money among those counties who have expended their full portion.

Sec. 42. [268.38] [TEMPORARY HOUSING DEMONSTRATION PROGRAM.]

Subdivision 1. [DEFINITIONS.] For the purpose of this section the following terms have the meanings given:

(a) "Temporary housing" means housing provided for a limited duration not exceeding six months and available for occupancy on a 24-hour continuous basis.

(b) "Support services" means an assessment service that identifies the needs of individuals for independent living and arranges or provides for the appropriate educational, social, legal, advocacy, child care, employment, financial, or information and referral services to meet these needs.

(c) "Commissioner" means the commissioner of economic security.

Subd. 2. [ESTABLISHMENT AND ADMINISTRATION.] A temporary housing demonstration program is established to be administered by the commissioner. The commissioner may make grants to eligible recipients or enter into agreements with community action agencies or other public or private nonprofit agencies to make grants to eligible recipients to initiate, maintain, or expand programs to provide temporary housing and support services for persons in need of temporary housing. The commissioner shall ensure that money appropriated to implement this section is distributed as soon as practicable. The commissioner may make grants directly to eligible recipients.

The program shall terminate on June 30, 1985.

Subd. 3. [ELIGIBLE RECIPIENTS.] A housing and re-development authority established under section 462.425 or a community action agency recognized under section 268.53 is eligible for assistance under the program. In addition, a partnership, joint venture, corporation, or association that meets the following requirements is also eligible:

(1) it is established for a purpose not involving pecuniary gain to its members, partners, or shareholders;

(2) it does not pay dividends or other pecuniary remuneration, directly or indirectly, to its members, partners, or shareholders; and

(3) in the case of a private, nonprofit corporation, it is established under and in compliance with chapter 317.

Subd. 4. [APPLICATIONS.] An eligible recipient may apply to the commissioner, or to a nonprofit agency designated by the commissioner, for a grant to initiate, maintain, or expand a program providing temporary housing and support services for persons in need of temporary housing. The application must include:

(1) a proposal for the provision of temporary housing and support services, including program objectives, availability of adequate funding, appropriateness of the proposed program for the population to be served, and how the program will help individuals to move into permanent housing;

(2) a proposed budget;

(3) a plan for collection of required data and the method to be used for program evaluation; and

(4) evidence of the participation in the development of the application of any agency or governmental body that will provide essential services or assistance to the program.

Subd. 5. [CRITERIA FOR GRANT AWARDS.] Criteria for the award of grants must include:

(1) evidence that the application meets all program requirements;

(2) evidence of the need of the applicant for state assistance and of the need for the particular program;

(3) indication of long-range plans for future funding if the need continues to exist for the service; and

(4) assurance that grants are awarded to as wide a variety of programs as possible, with emphasis on programs that concentrate on long-term solutions to individual housing problems.

Subd. 6. [PROGRAMS DESIGNATED.] At least two programs funded must be located in the seven-county metropolitan area and at least one program must be located outside of the metropolitan area. At least one program must be designed primarily to serve families with children, at least one program must be designed primarily to serve single persons, and at least one program must be designed primarily to serve persons leaving a shelter for family abuse.

Subd. 7. [FUNDING COORDINATION.] To the extent practicable, grant recipients shall combine funds awarded under this section with other funds from public and private sources. Programs receiving funds under this section are also eligible for assistance under section 462A.05, subdivision 20.

Subd. 8. [PROGRAM INFORMATION.] In order to collect uniform data to better measure the nature and extent of the need for temporary housing, grant recipients shall collect and make available to the commissioner the following information:

- (1) number of requests received for temporary housing, including the number of persons requiring assistance;*
- (2) number of persons for whom services are provided, including differentiation between adults and minor children;*
- (3) reasons for seeking assistance;*
- (4) length of stay;*
- (5) reasons for leaving the housing program;*
- (6) demand for support services;*
- (7) follow-up information on status of persons assisted, if possible; and*
- (8) source of income, race, and sex of persons assisted.*

Subd. 9. [PRIVATE DATA.] Personal history information and other information collected, used, or maintained by a grant recipient from which the identity of any individual receiving services may be determined is private data on individuals, as defined in section 13.02, subdivision 12, and the grant recipient shall maintain the data in accordance with the provisions of chapter 13.

Subd. 10. [RULES.] The commissioner may adopt temporary rules, in accordance with chapter 14, as necessary to implement this section. Notwithstanding section 14.35, temporary rules adopted under this section shall remain in effect until June 30, 1985.

Subd. 11. [REPORT TO THE LEGISLATURE.] The commissioner of economic security shall report to the legislature by March 15, 1985. The report must include:

- (1) the number of programs funded;*
- (2) the results of evaluations of those programs;*
- (3) an evaluation of the data collected on the programs funded and additional data available to the commissioner to fur-*

ther identify the need for temporary housing and available resources; and

(4) recommendations for future action by the legislature.

Subd. 12. [LICENSING REQUIREMENTS NOT APPLICABLE.] The requirements of sections 245.781 to 245.812 do not apply to temporary housing and support services funded under this section unless the commissioner of public welfare determines that the program is primarily a residential facility within the meaning of section 245.782, subdivision 6.

Sec. 43. Minnesota Statutes 1983 Supplement, section 268.672, subdivision 6, is amended to read:

Subd. 6. [ELIGIBLE JOB APPLICANT.] "Eligible job applicant" means a person who: (1) has been a resident of this state for at least one month, (2) is unemployed, (3) is not receiving and is not qualified to receive unemployment compensation or workers' compensation, and (4) is determined by the employment administrator to be likely to be available for employment by an eligible employer for the duration of the job.

In addition, a farmer who resides in a county qualified under Federal Disaster Relief and who can demonstrate severe financial need may be considered unemployed under this subdivision.

Sec. 44. 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 chairpersons of the house and senate governmental operations committees, the chairperson of the health, welfare, and corrections division of the house appropriations committee, the chairperson of the health and human services subcommittee of the senate finance committee, 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; (5) the specific allocation of discretionary funds; and ((5)) (6) any other information requested by the commission or the governor or deemed pertinent by the coordinator. Each report must include cumulative information, as well as information for each quarter.

Sec. 45. Minnesota Statutes 1983 Supplement, section 268.675, is amended to read:

268.675 [ALLOCATION OF FUNDS AMONG SERVICE DELIVERY AREAS.]

((a) NINETY) *Subdivision 1.* [SERVICE DELIVERY AREA PORTION.] *Eighty* percent of the funds available for allocation to employment administrators for the program must be allocated among service delivery areas as follows: (1) 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; (2) *however, 15 percent of the amount which would be allocated under paragraph (1) to each service delivery area in which the unemployment rate, for the 12-month period ending the most recent March 31, is less than the statewide unemployment rate on that date shall not be allocated according to paragraph (1). This amount shall be pooled and distributed at the discretion of the coordinator only to employment administrators in these service delivery areas with lower than average unemployment rates who have demonstrated outstanding performance from May 1, 1984, to August 1, 1984, in placement of persons who would otherwise be eligible to receive general assistance, as shown by:*

(i) *the proportion of general assistance-eligible applicants who have been placed in private sector jobs under the program, relative to the total number of general assistance-eligible applicants placed under the program; or*

(ii) *the proportion of general assistance-eligible applicants placed in all jobs under the program, relative to total job placements under the program.*

(b) Ten 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.

Subd. 3. [HIGH UNEMPLOYMENT REGIONS.] Ten percent of the funds available for allocation to employment administrators under the program must be allocated by the coordinator to employment administrators for use in regions that have unemployment rates for the 12-month period ending the most recent March 31 which meet or exceed 140 percent of the statewide unemployment rate. Funds must be allocated to regions in proportion to the number of unemployed persons within the region.

Sec. 46. Minnesota Statutes 1983 Supplement, section 268.676, subdivision 1, is amended to read:

Subdivision 1. [AMONG JOB APPLICANTS.] Allocation of funds among eligible job applicants within a service delivery area shall be determined by the employment administrator in each service delivery area. The employment administrator shall give priority to:

(1) applicants living in households with no other income source; and

(2) applicants who would otherwise be eligible to receive general assistance (UNDER MINNESOTA STATUTES 1980, SECTION 256D.05).

In service delivery areas where the unemployment rate for the 12-month period ending the most recent March 31 is below the statewide unemployment rate at that time, the employment administrator shall give higher priority to applicants described in clause (2) than to those described in clause (1).

Sec. 47. 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. 48. 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 appropriated 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. 49. Minnesota Statutes 1983 Supplement, section 268.685, is amended to read:

268.685 [TERMINATION; NOTIFICATION.]

The commissioner of economic security shall immediately terminate the Minnesota emergency employment development program if and when none of the money appropriated under Laws 1983, chapter 312, article 1, section 3 *or under this act* remains. The commissioner of economic security shall immediately notify the commissioner of public welfare of the program's termination. The commissioner of public welfare shall immediately notify each local agency referring recipients under section 256D.112 of the program's termination and require the local agency to cease transferring recipients.

On the date the program is terminated, any balance remaining in the Minnesota emergency employment development account established under section 268.681, subdivision 4 shall cancel to the general fund. Any payments received under section 268.681, subdivisions 3 and 4 on or after that date shall be deposited in the general fund.

Sec. 50. 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. 51. Minnesota Statutes 1983 Supplement, section 268.80, is amended to read:

268.80 [APPLICATION PROCESS; DETERMINATIONS.]

Any person may apply to the commissioner for services under the Minnesota emergency employment development jobs program. Upon receiving an application, the commissioner shall promptly determine the person's eligibility for services under the program; the person's ability to successfully perform a job available through the program; and, within three business days, the person's eligibility for an allowance pursuant to section 268.81. *The commissioner shall not accept applications for the allowance after September 30, 1984.* In determining the eligibility of a person for the allowance, the commissioner shall apply the eligibility standards set forth in sections 256D.01 to 256D.21. A person referred by a local agency pursuant to the provisions of section 256D.112 *prior to October 1, 1984* shall be deemed to be eligible for the allowance. If the commissioner finds at any time that a person is not eligible for services under the jobs program, or if the commissioner determines after a three-month period that the person is unlikely to secure a job through the jobs program, then the commissioner shall issue a written determination stating the findings and provide the person with a written referral to the appropriate local agency. *However, once a person has been referred to the local agency because of a determination*

that the person is unlikely to secure a job through the emergency employment development jobs program, the person may not be referred back to the commissioner for the payment of the allowance under section 268.81. If the person is receiving an allowance, the allowance will be terminated upon provision of a notice of termination of the allowance which must coincide with issuance of the allowance and must include a written referral to the local agency. Upon sending a notice of termination, the commissioner shall forward copies of applications, verifications, and other documents related to the person's eligibility for and payments of general assistance to the local agency. If the person applies to the local agency for general assistance before or on the last date of the period covered by the allowance, the person is eligible for general assistance, and the local agency shall issue a general assistance payment to cover the calendar month immediately following the calendar month covered by the last allowance. The local agency shall use verifications obtained in its determination of eligibility pursuant to section 256D.112 and those provided by the commissioner and may only require the applicant to supply verification of factors that the local agency has reason to believe have changed. If the commissioner finds at any time, pursuant to standards established by the commissioner by rule or temporary rule, that a person is not able to successfully perform a job available through the jobs program, the commissioner shall issue a written determination stating the findings and explaining the person's right to appeal pursuant to section 268.82, and shall provide the person with a written referral to the appropriate local agency. If the commissioner finds that a person is not eligible for an allowance pursuant to section 268.81, the commissioner shall advise the person in writing that the person may make an application for general assistance with the appropriate local agency.

Sec. 52. Minnesota Statutes 1983 Supplement, section 268.81, is amended to read:

268.81 [PAYMENT OF ALLOWANCE.]

A person accepted pursuant to section 268.80 for participation in the Minnesota emergency employment development jobs program and determined by the commissioner to satisfy the eligibility standards set forth in sections 256D.01 to 256D.21, shall be paid a cash allowance by the commissioner in an amount which is not less than the amount of the general assistance grant that the person would otherwise receive pursuant to sections 256D.01 to 256D.21. The commissioner shall adopt a permanent or temporary rule establishing the amounts of allowances to be paid pursuant to this section. The initial allowance shall be paid to the person as soon as administratively feasible. A person referred by a local agency pursuant to section 256D.112 shall be paid the initial allowance upon the expiration of the period covered by the one-month grant received from the local agency. Thereafter, the allowance shall be paid at intervals as the com-

missioner shall prescribe by rule or temporary rule: (UNTIL JUNE 30, 1985, A PERSON RECEIVING AN ALLOWANCE WHEN THE MINNESOTA EMERGENCY EMPLOYMENT DEVELOPMENT JOBS PROGRAM IS TERMINATED UNDER SECTION 268.685, SHALL CONTINUE TO BE PAID AN ALLOWANCE UNDER THIS SECTION IF HE CONTINUES TO MEET THE ELIGIBILITY STANDARDS SET FORTH IN SECTIONS 256D.01 TO 256D.21.) *After December 31, 1984, the department of economic security shall make no allowance payments. All persons who receive an allowance during December 1984 shall be provided a notice of termination of the allowance which must coincide with issuance of the allowance and must include a written referral to the local agency. Upon sending a notice of termination, the commissioner shall forward copies of applications, verifications, and other documents related to the person's eligibility for and payments of general assistance to the local agency. If the person applies to the local agency for general assistance before or on the final day of the period covered by the allowance, the person is eligible for general assistance, and the local agency shall issue a general assistance payment to cover the calendar month immediately following the calendar month covered by the last allowance. The local agency shall use verifications obtained in its determination of eligibility pursuant to section 256D.112 and those provided by the commissioner and may only require the applicant to supply verification of factors that the local agency has reason to believe have changed.*

Sec. 53. Minnesota Statutes 1983 Supplement, section 357.021, subdivision 2a, is amended to read:

Subd. 2a. [CERTAIN FEE PURPOSES.] Of the marriage dissolution fee collected pursuant to subdivision 1, the clerk shall pay \$35 to the state treasurer to be deposited in the (GENERAL) *special revenue* fund to be used as follows: \$15 for the purposes of funding grant programs for emergency shelter services and support services to battered women under sections 241.61 to 241.66 and for administering displaced homemaker programs established under section 4.40; and \$20 is appropriated to the commissioner of corrections for the purpose of funding emergency shelter services and support services to battered women, on a matching basis with local money for 20 percent of the costs and state money for 80 percent. Of the \$15 for the purposes of funding grant programs for emergency shelter services and support services to battered women under sections 241.61 to 241.66 and for administering displaced homemaker programs established under section 4.40, \$6.75 is appropriated to the commissioner of corrections and \$8.25 is appropriated to the commissioner of economic security. *The commissioner of economic security may use money appropriated in this subdivision for the administration of a displaced homemaker program regardless of the date on which the program was established.* (THE STATE TREASURER SHALL IDENTIFY AND REPORT TO THE

COMMISSIONER OF FINANCE ALL AMOUNTS DEPOSITED IN THE GENERAL FUND UNDER THIS SECTION.)

Sec. 54. Minnesota Statutes 1983 Supplement, section 517.08, subdivision 1c, is amended to read:

Subd. 1c. [DISPOSITION OF LICENSE FEE.] Of the marriage license fee collected pursuant to subdivision 1b, the clerk shall pay \$25 to the state treasurer to be deposited in the (GENERAL) *special revenue* fund to be used as follows: \$15 for the purposes of funding grant programs for emergency shelter services and support services to battered women under sections 241.61 to 241.66 and for administering displaced homemaker programs established by July 1, 1983, under section 4.40; and \$10 is appropriated to the commissioner of economic security for the purpose of funding displaced homemaker programs established after July 1, 1983, under section 4.40 in areas of the state where those programs previously did not exist or adjunct programs that extend access to current programs in northeastern Minnesota, on a matching basis with local funds providing 20 percent of the costs and state funds providing 80 percent. Of the \$15 for the purposes of funding grant programs for emergency shelter services and support services to battered women under sections 241.61 to 241.66 and for administering displaced homemaker programs established by July 1, 1983, under section 4.40, \$6.75 is appropriated to the commissioner of corrections and \$8.25 is appropriated to the commissioner of economic security. *The commissioner of economic security may transfer money to and from the appropriation designated in this subdivision for the administration of displaced homemaker programs established by July 1, 1983, and the appropriation designated for programs established after July 1, 1983, if necessary to continue the administration of programs established by July 1, 1983, while developing and administering programs established after that date as required in this subdivision.*

(THE STATE TREASURER SHALL IDENTIFY AND REPORT TO THE COMMISSIONER OF FINANCE ALL AMOUNTS DEPOSITED IN THE GENERAL FUND AND APPROPRIATED UNDER THIS SECTION.)

Sec. 55. Laws 1983, chapter 199, section 17, subdivision 2, is amended to read:

Subd. 2. The commission shall consist of (SIX) *seven* members of the house of representatives appointed by the speaker and (SIX) *seven* members of the senate appointed by the subcommittee on committees.

Sec. 56. [LABORATORY FEES.]

Notwithstanding Laws 1983, chapter 312, article 1, section 7, subdivision 2, the commissioner of health shall charge a fee of

not less than \$5 for medical laboratory services for which fees are charged under section 144.123.

Sec. 57. [MORATORIUM ON HOSPITAL CAPACITY EXPANSION.]

Subdivision 1. [RESTRICTED CONSTRUCTION OR MODIFICATION.] *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 by or on behalf of a hospital that increases the bed capacity of a hospital, relocates hospital beds from one physical facility, complex, or site to another, or otherwise results in an increase or redistribution of hospital beds within the state; and

(2) the establishment of a new hospital.

This section does not apply to:

(1) a hospital, clinic, or other health care facility that is a national referral center engaged in substantial programs of patient care, medical research, and medical education meeting state and national needs that receives more than 40 percent of its patients from outside the state of Minnesota;

(2) a project for construction or modification for which a health care facility held an approved certificate of need on May 1, 1984, regardless of the date of expiration of the certificate;

(3) a project for which a certificate of need was denied prior to the date of enactment of this act if a timely appeal results in an order reversing the denial; or

(4) a project exempted from certificate of need requirements by Laws 1981, chapter 200, section 2.

Nothing in this section prohibits the relocation or redistribution of hospital beds within a hospital building or identifiable complex of buildings provided the relocation or redistribution does not result in: (1) an increase in the overall bed capacity at that site; (2) relocation of hospital beds from one physical site or complex to another; or (3) redistribution of hospital beds within the state or a region of the state.

Subd. 2. [EMERGENCY WAIVER.] *The commissioner shall 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 disaster.

Subd. 3. [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 shall 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. 4. [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.

The term "hospital" has the meaning given it in section 144.696, subdivision 3.

Sec. 58. [INSTRUCTION TO REVISOR.]

The revisor of statutes shall change the references to the commissioner or department of "public welfare" wherever they appear in the Minnesota Statutes to refer to the commissioner or department of "human services" in Minnesota Statutes 1984.

Sec. 59. [REPEALER.]

Minnesota Statutes 1982, section 256E.07, subdivision 3, and Laws 1983, chapter 289, section 102, are repealed.

Sec. 60. [APPLICATION.]

The changes mandated by section 45 of this article are effective only for money appropriated in section 2, clause (a). Funds appropriated prior to the effective date of this act shall continue to be allocated as provided in Laws 1983, chapter 312, article 7, section 5.

Sec. 61. [EFFECTIVE DATES.]

Sections 7, 17 to 21, 23, 24, 39 to 49, 53 to 56, 59, and 60 are effective the day following final enactment. Sections 26 to 29, 32, 35, 37, and section 34, subdivision 2, clause (i) are effective June 1, 1984. Section 34, subdivision 2, clauses (k) and (l) are effective October 1, 1984."

Delete the title and insert:

"A bill for an act relating to the organization and operation of state government; clarifying, providing for deficiencies in, and supplementing appropriations for the expenses of state government with certain conditions; creating and modifying agencies and functions; fixing and limiting fees; requiring studies and reports; appropriating money; amending Minnesota Statutes 1982, sections 3.099, subdivision 2; 3.3005; 3.351; 10.12; 10.14; 10.15; 11A.08, subdivision 3; 15.0597, subdivision 1; 16.02, by adding a subdivision; 16.026, subdivisions 3 and 7; 16.081; 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; 17.03, by adding a subdivision; 17A.03, by adding subdivisions: 17A.04, subdivisions 1, 6, 7, and 8; 17A.05; 17A.07; 17A.10; 17A.11; 17A.12; 43A.27, by adding a subdivision; 43A.-30, by adding a subdivision; 84.085; 84A.53; 84A.54; 84A.55, subdivision 9; 84B.03, by adding a subdivision; 94.16; 116J.19, subdivision 13; 116J.36, as amended; 116J.88, by adding a subdivision; 116J.89, by adding a subdivision; 117.195, subdivision 1; 117.232, subdivision 1; 125.031; 136.11, subdivisions 2 and 7; 136.506; 136.55, subdivision 2; 136A.02, subdivision 1a; 136A.-32, subdivision 7; 136A.81, subdivision 1; 138.025, subdivision 11; 144.414; 155A.06, subdivision 1; 158.07; 158.08; 161.173; 161.174; 161.242, subdivisions 3 and 4; 161.31, subdivision 1; 168.27, subdivisions 2 and 3; 168.33, subdivision 2; 169.966, subdivision 1a, and by adding a subdivision; 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; 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; 256.851; 256D.02, subdivisions 6, 8, and by adding a subdivision; 256D.06, subdivision 3; 256D.15; 256E.03, subdivision 2; 256E.-07, subdivision 1, and by adding subdivisions: 296.13; 299D.03, subdivision 2; 299F.63, by adding a subdivision; 325F.20, subdivision 1; 329.099; 340.11, subdivision 11a; 345.47, subdivision 1, and by adding a subdivision; 345.525; 352.01, subdivision 2A; 352E.02; 352E.04; 359.01; 398.09; 462A.05, subdivision 20; 473.121, subdivisions 7, 10, 16, 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; 484.545, subdivision 1; Minnesota Statutes 1983 Supplement, sections 3.3026, subdivision 5; 10A.01, subdivision 18; 10A.04, subdivision 4; 15A.081, subdivisions 1, 6, and 7; 15A.082; 15A.083, subdivision 1; 16.083; 16.28, subdivision 2; 16A.125, subdivision 5; 16A.127, subdivision 1; 16A.36; 17A.06, subdivision 3; 38.02, subdivision 1; 43A.04, subdivision 8; 85.40, subdivision 5; 85.41, subdivisions 3, 4, and 5; 116J.09; 116J.18, subdivision 1; 116J.31; 116J.70, subdivision 2a; 116J.90, by adding a subdivision; 116J.91, subdivision 4; 135A.03, subdivisions 1, 3, and 4; 136.144; 136A.121, subdivision 2; 136A.26; 144.651, subdivision 9; 161.43; 161.44,

subdivision 6a; 169.81, subdivision 2; 174.24, subdivision 3; 179.70, subdivision 1; 179.7411; 180.03, subdivision 2; 214.06, subdivision 1; 214.13, subdivision 4; 221.041, by adding a subdivision; 221.071, subdivision 1; 240.06, subdivision 7; 256.01, subdivision 2; 256.737; 256B.501, subdivision 10; 256D.01, subdivision 1; 256D.03, subdivision 4; 256D.111, subdivisions 1, 2, 5, and by adding a subdivision; 256D.112; 268.672, subdivision 6; 268.673, subdivision 5; 268.675; 268.676, subdivisions 1 and 2; 268.677; 268.685; 268.686; 268.80; 268.81; 297B.09; 298.-296, subdivision 1; 352D.02, subdivision 1; 357.021, subdivision 2a; 462A.07, subdivision 15; 473.436, subdivision 6; 486.06; 517.08, subdivision 1c; 609.855, subdivisions 1 and 2; Laws 1983, chapter 199, section 17, subdivision 2; chapter 290, section 172; chapter 293, sections 1; 2, subdivisions 2, 8, and 9; 4, subdivisions 1 and 3; 5; and 6; chapter 301, sections 38, 39, 40, 41, and 42; proposing new law coded in Minnesota Statutes, chapters 13, 15, 17A, 84, 84A, 94, 115A, 116J, 136, 174, 190, 214, 221, 246, 256B, 268, 349, 473, 494; proposing new law coded as Minnesota Statutes, chapters 16B; 40A; 44A; and 494; repealing Minnesota Statutes 1982, sections 10.13; 16A.132; 16A.51; 16A.59; 16A.73; 84.82, subdivision 1; 136.11, subdivision 6; 136A.133; 167.31; 167.32; 167.33; 167.34; 167.35; 167.36; 167.37; 167.38; 167.39; 167.42; 167.43; 167.44; 167.521; 168.27, subdivision 5; 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; 473.451; Minnesota Statutes 1983 Supplement, section 17.106; and Laws 1983, chapter 289, section 102, and chapter 301, section 233."

We request adoption of this report and repassage of the bill.

House Conferees: JAMES I. RICE, ANN WYNIA, LYNDON R. CARLSON, PHYLLIS KAHN and BOB ANDERSON.

Senate Conferees: GERALD L. WILLET, CARL W. KROENING, DON B. SAMUELSON, WILLIAM P. LUTHER and DENNIS R. FREDERICKSON.

Rice moved that the report of the Conference Committee on H. F. No. 2317 be adopted and that the bill be repassed as amended by the Conference Committee.

POINT OF ORDER

Welker raised a point of order pursuant to the Minnesota Constitution, Article IV, Section 17. The Speaker ruled the point of order not well taken.

Welker appealed the decision of the Chair.

The Speaker ruled the Welker appeal of the decision of the Chair out of order pursuant to "Mason's Manual of Legislative Procedure," section 242.

The question recurred on the Rice motion that the report of the Conference Committee on H. F. No. 2317 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

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; 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, 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 by Conference, and placed upon its repassage.

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

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

There were 69 yeas and 58 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Eken	Long	Pauly	Solberg
Anderson, R.	Elioff	Mann	Peterson	Sparby
Battaglia	Ellingson	McEachern	Piper	Staten
Beard	Evans	Metzen	Price	Swanson
Begich	Greenfield	Minne	Quinn	Tomlinson
Bergstrom	Gustafson	Munger	Rice	Tunheim
Bishop	Hoffman	Murphy	Rodosovich	Vanasek
Brandl	Jacobs	Nelson, D.	Rodriguez, C.	Vellenga
Carlson, D.	Jensen	Nelson, K.	Rodriguez, F.	Welch
Carlson, L.	Kahn	Neuenschwander	St. Onge	Welle
Clark, J.	Kalis	Norton	Sarna	Wenzel
Clark, K.	Kelly	O'Connor	Segal	Wynia
Clawson	Kostohryz	Ogren	Simoneau	Speaker Sieben
Coleman	Larsen	Otis	Skoglund	

Those who voted in the negative were:

Bennett	Cohen	Fjoslien	Gutknecht	Hokr
Blatz	Dempsey	Forsythe	Haukoos	Jennings
Boo	DenOuden	Frerichs	Heap	Johnson
Brinkman	Dimler	Graba	Heinitz	Krueger
Burger	Findlay	Gruenes	Himle	Kvam

Levi	Onnen	Rose	Shea	Voss
Ludeman	Osthoff	Schafer	Sherman	Waltman
Marsh	Piepho	Scheid	Sviggum	Welker
McDonald	Quist	Schoenfeld	Thiede	Wigley
McKasy	Redalen	Schreiber	Uphus	Zaffke
Olsen	Reif	Seaberg	Valan	
Omann	Riveness	Shaver	Valento	

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

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

MESSAGES FROM THE SENATE, Continued

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 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, sections 94.343, subdivision 1; and 94.349, subdivision 3.

The Senate has appointed as such committee Messrs. Willet, Anderson and Luther.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate has reconsidered the vote on the repassage of S. F. No. 1563, the vote on the adoption of the Conference Committee Report on S. F. No. 1563 and has returned the bill to the Conference Committee as previously constituted.

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.

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. 2017.

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. 1906.

PATRICK E. FLAHAVER, Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 2017, A bill for an act relating to the metropolitan waste control commission; establishing positions in the unclassified civil service; amending Minnesota Statutes 1982, section 473.503.

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

S. F. No. 1906, 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 patient access to medical data; amending Minnesota Statutes 1982, sections 13.02, subdivision 8; 13.03, subdivision 3, and by adding subdivisions; 13.42, by adding a subdivision; 13.65, subdivision 1; 13.69, by adding a subdivision; 13.72, by adding a subdivision; proposing new law coded in Minnesota Statutes, chapter 13.

The bill was read for the first time.

S. F. No. 1906 was temporarily laid over.

There being no objection the order of business reverted to Messages from the Senate.

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce that the Senate wishes to recall for the purpose of further consideration House File No. 1903.

PATRICK E. FLAHAVEN, Secretary of the Senate

Rice moved that the vote whereby the House repassed H. F. No. 1903 as amended by the Senate be now reconsidered. The motion prevailed.

Rice moved that the vote whereby the House concurred in the Senate amendments to H. F. No. 1903 be now reconsidered. The motion prevailed.

Rice moved that the House accede to the request of the Senate for the return of H. F. No. 1903. 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. 1336.

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. 1336

A bill for an act relating to crime; providing for criminal penalties and a one year driver's license revocation upon refusal by a driver suspected of driving under the influence of alcohol or a controlled substance to take a test; authorizing testing of a suspect who is unconscious or in a condition rendering the suspect incapable of refusal; restricting issuance of limited licenses for work purposes; clarifying provisions of the hit and run law; clarifying penalties imposed on certain persons convicted of driving while under the influence of alcohol or a controlled substance; clarifying provisions of the driving after revocation, suspension, or cancellation law; prescribing penalties for causing death or injury of another while operating a vehicle in a certain manner; providing for admission into evidence of certain

convictions for driving offenses for impeachment purposes; authorizing issuance of limited licenses in certain circumstances; amending Minnesota Statutes 1982, sections 169.09, subdivision 4; 169.123, subdivisions 4, 5a, and 9, and by adding a subdivision; 171.24; and 171.30, subdivision 1; and Minnesota Statutes 1983 Supplement, sections 169.09, subdivisions 1, 14, and 15; 169.121, subdivision 3; 169.123, subdivisions 2 and 6; and 609.21, subdivisions 1 and 2; proposing new law coded in Minnesota Statutes, chapters 171 and 634; repealing Minnesota Statutes 1982, section 169.123, subdivision 9.

April 19, 1984

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. 1336, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendment and that S. F. No. 1336 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1983 Supplement, section 169.09, subdivision 1, is amended to read:

Subdivision 1. [DRIVER TO STOP.] The driver of any vehicle involved in an accident resulting in *immediately demonstrable* bodily injury to or death of any person shall immediately stop the vehicle at the scene of the accident, or as close to the scene as possible, but shall then return to and in every event, shall remain at, the scene of the accident until he has fulfilled the requirements of this chapter as to the giving of information. The stop shall be made without unnecessarily obstructing traffic.

Sec. 2. Minnesota Statutes 1982, section 169.09, subdivision 4, is amended to read:

Subd. 4. [COLLISION WITH UNATTENDED VEHICLE.] The driver of any vehicle which collides with and damages any vehicle which is unattended shall immediately stop and either locate and notify the driver or owner of the vehicle of the name and address of the driver and owner of the vehicle striking the unattended vehicle, shall report the same to a police officer, or shall leave in a conspicuous place in *or secured to* the vehicle struck a written notice giving the name and address of the driver and of the owner of the vehicle doing the striking.

Sec. 3. Minnesota Statutes 1983 Supplement; section 169.09, subdivision 14, is amended to read:

Subd. 14. [PENALTIES.] (a) The driver of any vehicle who violates subdivision 1 or 6 and who caused the accident is punishable as follows:

(1) If the accident results in the death of any person, the driver is guilty of a felony 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; or

(2) If the accident results in substantial bodily (INJURY) harm to any person, as defined in section 609.02, subdivision (8) 7a, the driver is guilty of a felony and may be sentenced to imprisonment for not more than three years, or to payment of a fine of not more than \$3,000, or both.

(b) *The driver of any vehicle who violates subdivision 1 or 6 and who did not cause the accident is punishable as follows:*

(1) *If the accident results in the death of any person, the driver is guilty of a felony and may be sentenced to imprisonment for not more than five years, or to payment of a fine of not more than \$10,000, or both;*

(2) *If the accident results in great bodily harm to any person, as defined in section 609.02, subdivision 8, the driver is guilty of a felony and may be sentenced to imprisonment for not more than three years, or to payment of a fine of not more than \$5,000, or both; or*

(3) *If the accident results in substantial bodily harm to any person, as defined in section 609.02, subdivision 7a, the driver may be sentenced to imprisonment for not more than one year, or to payment of a fine of not more than \$3,000, or both.*

((B)) (c) The driver of any vehicle involved in an accident not resulting in substantial bodily harm or death who violates subdivision 1 or 6 (AND WHO DID NOT CAUSE THE ACCIDENT OR WHO VIOLATES SUBDIVISION 2 IS GUILTY OF A GROSS MISDEMEANOR, AND) may be sentenced to imprisonment for not more than one year, or to payment of a fine of not more than (\$1,000) \$3,000, or both.

((C)) (d) Any person who violates subdivision 3, clause (b) is guilty of a petty misdemeanor.

((D)) (e) Any person who violates subdivision 3, clause (a), or subdivision 4, 5, 7, 8, 10, 11, or 12 is guilty of a misdemeanor.

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. 4. Minnesota Statutes 1983 Supplement, section 169.09, subdivision 15, is amended to read:

Subd. 15. [DEFENSE.] It is an affirmative defense to prosecution under subdivisions 1, 2, and 6 that the driver left the scene of the accident to take any person suffering (SUBSTANTIAL) *immediately demonstrable* bodily injury in the accident to receive emergency medical care if the driver of the involved vehicle gives notice to a law enforcement agency as required by subdivision 6 as soon as reasonably feasible after the emergency medical care has been undertaken.

Sec. 5. 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. 6. 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. 7. 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. 8. 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*.

For purposes of this subdivision, a prior juvenile adjudication under this section, section 169.129, an ordinance in conformity with either of them, or a statute or ordinance from another state in conformity with either of them is a prior conviction.

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. 9. Minnesota Statutes 1982, section 169.121, subdivision 4, is amended to read:

Subd. 4. [PENALTIES.] A person convicted of violating this section shall have his driver's license or operating privileges revoked by the commissioner of public safety as follows:

- (a) First offense: not less than 30 days;
- (b) Second offense in less than five years: not less than 90 days and until the court has certified that treatment or rehabilitation has been successfully completed where prescribed in accordance with section 169.126;
- (c) Third offense in less than five years: not less than one year, together with denial under section 171.04, clause (8), until rehabilitation is established in accordance with standards established by the commissioner;
- (d) Fourth or subsequent offense on the record: not less than two years, together with denial under section 171.04, clause (8), until rehabilitation is established in accordance with standards established by the commissioner.

If the person convicted of violating this section is under the age of 18 years, the commissioner of public safety shall revoke the offender's driver's license or operating privileges until the offender reaches the age of 18 years or for a period of six months or for the appropriate period of time under clauses (a) to (d) for the offense committed, whichever is the greatest period.

For purposes of this subdivision, a juvenile adjudication under this section, section 169.129, an ordinance in conformity with either of them, or a statute or ordinance from another state in conformity with either of them is an offense.

Whenever department records show that the violation involved personal injury or death to any person, not less than 90 additional days shall be added to the base periods provided above.

Any person whose license has been revoked pursuant to section 169.123 as the result of the same incident is not subject to the mandatory revocation provisions of clause (a) or (b).

Sec. 10. 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, the person shall be informed:

(1) *that Minnesota law requires the person to take a test to determine if the person is under the influence of alcohol or a controlled substance;*

((1)) (2) *that if testing is refused, the person's right to drive will be revoked for a minimum period of (SIX MONTHS) one year or, if the person is under the age of 18 years, for a period of one year or until he or she reaches the age of 18 years, whichever is greater;*

((2)) (3) *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 or, if the person is under the age of 18 years, for a period of six months or until he or she reaches the age of 18 years, whichever is greater;*

((3)) THAT THE PERSON HAS A RIGHT TO CONSULT WITH AN ATTORNEY BUT THAT THIS RIGHT IS LIMITED TO THE EXTENT THAT IT CANNOT UNREASONABLY DELAY ADMINISTRATION OF THE TEST OR THE PERSON WILL BE DEEMED TO HAVE REFUSED THE TEST; AND)

(4) *that after submitting to testing, the person has the right to consult with an attorney and 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.*

(c) *The peace officer who requires a test pursuant to this subdivision may direct whether the test shall be of blood, breath, or urine. However, if the officer directs that the test shall be of a person's blood or urine, the person may choose whether the test shall be of his blood or urine.*

Sec. 11. Minnesota Statutes 1982, section 169.123, is amended by adding a subdivision to read:

Subd. 2b. [CONSENT OF PERSON INCAPABLE OF REFUSAL NOT WITHDRAWN.] A person who is unconscious or who is otherwise in a condition rendering the person incapable of refusal is deemed not to have withdrawn the consent provided by subdivision 2 and the test may be given.

Sec. 12. 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. If the person refusing to submit to testing is under the age of 18 years, the commissioner shall revoke the person's license or permit to drive, or his or her nonresident operating privilege, for a period of one year or until the person reaches the age of 18 years, whichever is greater.* 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 or, if the person is under the age of 18 years, for a period of six months or until he or she reaches the age of 18 years, whichever is greater.

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. 13. 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. 14. Minnesota Statute 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 sec-

tion 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. 15. 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. 16. Minnesota Statutes 1982, section 171.16, subdivision 5, is amended to read:

Subd. 5. [JUVENILE COURT.] When any judge of a juvenile court, or any of its duly authorized agents, shall de-

termine formally or informally that any person under the age of 18 years has violated any of the provisions of any law of this state, or ordinances of political subdivisions thereof, regulating the operation of motor vehicles on streets and highways, except parking violations, and except traffic offenses involving a violation of section 169.121, such judge, or duly authorized agent, shall immediately report such determination to the department and may recommend the suspension of the driver's license of such person, and the commissioner is hereby authorized to suspend such license, without a hearing.

Sec. 17. Minnesota Statutes 1982, section 171.24, is amended to read:

171.24 [VIOLATIONS (MISDEMEANORS; EXCEPTIONS); DRIVING AFTER REVOCATION, SUSPENSION, OR CANCELLATION.]

Any person whose driver's license or driving privilege has been cancelled, suspended, or revoked and who has been given notice of, or reasonably should know of the revocation, suspension, or cancellation, and who disobeys such order by operating anywhere in this state any motor vehicle, the operation of which requires a driver's license, (UPON THE HIGHWAYS IN THIS STATE) while such license or privilege is (CANCELED) cancelled, suspended, or revoked is guilty of a misdemeanor.

(IT IS A MISDEMEANOR FOR ANY PERSON TO WILLFULLY VIOLATE ANY OF THE PROVISIONS OF THIS CHAPTER UNLESS SUCH VIOLATION IS BY ANY LAW DECLARED TO BE A FELONY OR A GROSS MISDEMEANOR.)

Notice of revocation, suspension, or cancellation is sufficient if personally served, or if mailed by first class mail to the person's last known address or to the address listed on the person's driver's license. Notice is also sufficient if the person was informed that revocation, suspension, or cancellation would be imposed upon a condition occurring or failing to occur, and where the condition has in fact occurred or failed to occur. It is not a defense that a person failed to file a change of address with the post office, or failed to notify the department of public safety of a change of name or address as required under section 171.11.

Sec. 18. [171.241] [VIOLATIONS; MISDEMEANORS.]

It is a misdemeanor for any person to willfully violate any of the provisions of this chapter unless the violation is declared by any law to be a felony or gross misdemeanor, or the violation is declared by a section of this chapter to be a misdemeanor.

Sec. 19. Minnesota Statutes 1982, section 171.30, subdivision 1, is amended to read:

Subdivision 1. [ISSUANCE.] In any case where a person's license has been suspended under section 171.18 or revoked under sections 169.121, 169.123, or 171.17, (IF THE DRIVER'S LIVELIHOOD OR ATTENDANCE AT A CHEMICAL DEPENDENCY TREATMENT OR COUNSELING PROGRAM DEPENDS UPON THE USE OF HIS DRIVER'S LICENSE,) the commissioner may at his own discretion issue a limited license to the driver *under the following conditions:*

(1) *if the driver's livelihood or attendance at a chemical dependency treatment or counseling program depends upon the use of the driver's license; or*

(2) *if attendance at a post-secondary institution of education by an enrolled student of that institution depends upon the use of the driver's license.*

The commissioner in issuing a limited license may impose such conditions and limitations as in his judgment are necessary to the interests of the public safety and welfare including re-examination as to the driver's qualifications. The license may be limited to the operation of particular vehicles, to particular classes and times of operation and to particular conditions of traffic. *The commissioner may require that an applicant for a limited license affirmatively demonstrate that use of public transportation or carpooling as an alternative to a limited license would be a significant hardship.*

The limited license issued by the commissioner shall clearly indicate the limitations imposed and the driver operating under the limited license shall have the license in his possession at all times when operating as a driver.

In determining whether to issue a limited license, the commissioner shall consider the number and the seriousness of prior convictions and the entire driving record of the driver and shall consider the number of miles driven by the driver annually.

Sec. 20. 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. 21. 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 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. 22. 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 or non-intoxicating malt liquor; 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 or non-intoxicating malt liquor, with intent to consume same at a place other than the household of his or her parent or guardian. Possession of such intoxicating liquor or non-intoxicating malt liquor 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 intoxicating liquor or non-intoxicating malt liquor unless in the household of his or her parent or guardian and with the consent of his or her parent or guardian.

Sec. 23. 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 is convicted of purchasing or attempting 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. 24. 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. 25. 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 IN-

FLUENCE 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 alcoholic 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. 26. [REPEALER.]

Minnesota Statutes 1982, section 169.123, subdivision 9, is repealed.

Sec. 27. [EFFECTIVE DATE.]

Sections 1 to 26 are effective August 31, 1984 and apply to offenses committed on or after that date."

Delete the title and insert:

"A bill for an act relating to crimes; prohibiting the operation of a motor vehicle by a person having an alcohol concentration of 0.10 or more; 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 increased license revocation penalties for minors committing alcohol related traffic offenses or for persons under 19 attempting to purchase alcoholic beverages; providing for enhanced penalties for adults convicted of driving under the influence of alcohol if there are prior similar juvenile adjudications; providing that prohibitions against careless and reckless driving apply in certain parking lots and driveways; clarifying provisions of the hit

and run law; providing for issuance of limited licenses; amending Minnesota Statutes 1982, sections 169.09, subdivision 4; 169.121, subdivision 4; 169.123, subdivisions 4, 5a, and by adding a subdivision; 169.13, subdivision 3; 171.16, subdivision 5; 171.24; 171.30, subdivision 1; 260.195, subdivision 3; 340.035; 340.731; 340.732; Minnesota Statutes 1983 Supplement, sections 169.09, subdivisions 1, 14, and 15; 169.121, subdivisions 1, 1a, 2, and 3; 169.123, subdivisions 2 and 6; 609.21, subdivisions 1 and 2; repealing Minnesota Statutes 1982, section 169.123, subdivision 9; proposing new law coded in Minnesota Statutes, chapter 171."

We request adoption of this report and repassage of the bill.

Senate Conferees: LAWRENCE J. POGEMILLER, ALLAN H. SPEAR, JIM RAMSTAD, CLARENCE M. PURFEERST and MICHAEL O. FREEMAN.

House Conferees: KATHLEEN VELLENGA, ROBERT E. VANASEK, RANDOLPH W. STATEN, BERT J. MCKASY and DAVID T. BISHOP.

Vellenga moved that the report of the Conference Committee on S. F. No. 1336 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

The Speaker called Wynia to the Chair.

S. F. No. 1336, A bill for an act relating to crime; providing for criminal penalties and a one year driver's license revocation upon refusal by a driver suspected of driving under the influence of alcohol or a controlled substance to take a test; authorizing testing of a suspect who is unconscious or in a condition rendering the suspect incapable of refusal; restricting issuance of limited licenses for work purposes; clarifying provisions of the hit and run law; clarifying penalties imposed on certain persons convicted of driving while under the influence of alcohol or a controlled substance; clarifying provisions of the driving after revocation, suspension, or cancellation law; prescribing penalties for causing death or injury of another while operating a vehicle in a certain manner; providing for admission into evidence of certain convictions for driving offenses for impeachment purposes; authorizing issuance of limited licenses in certain circumstances; amending Minnesota Statutes 1982, sections 169.09, subdivision 4; 169.123, subdivisions 4, 5a, and 9, and by adding a subdivision; 171.24; and 171.30, subdivision 1; and Minnesota Statutes 1983 Supplement, sections 169.09, subdivisions 1, 14, and 15; 169.121, subdivision 3; 169.123, subdivisions 2 and 6; and 609.21, subdivisions 1 and 2; proposing new law coded in Minnesota Statutes, chapters 171 and 634; repealing Minnesota Statutes 1982, section 169.123, subdivision 9.

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

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

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

There were 127 yeas and 0 nays as follows :

Those who voted in the affirmative were :

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

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

The following conference committee report was received :

CONFERENCE COMMITTEE REPORT ON H. F. NO. 229

A bill for an act relating to health; allowing any interested person to seek enforcement of certain patient rights; requiring disclosure of certain medical data or medical information for purposes of a lawful investigation; amending Minnesota Statutes 1982, sections 13.42, subdivision 2; 144.335; 254A.09; and Minnesota Statutes 1983 Supplement, section 144.651, subdivision 1.

April 24, 1984

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

The Honorable Jerome M. Hughes
President of the Senate

We, the undersigned conferees for H. F. No. 229, report that we have agreed upon the items in dispute and recommend as follows:

That the House concur in the Senate amendment and that H. F. No. 229 be further amended as follows:

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 interested person, may seek enforcement of these rights on behalf of a patient or resident. *An interested person may also seek enforcement of these rights on behalf of a patient or resident who has a guardian or conservator through administrative agencies or in probate court or county court having jurisdiction over guardianships and conservatorships. Pending the outcome of an enforcement proceeding the health care facility may, in good faith, comply with the instructions of a guardian or conservator.* 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.”

Delete the title and insert:

“A bill for an act relating to health; allowing any interested person to seek enforcement of certain patient rights; amending Minnesota Statutes 1983 Supplement, section 144.651, subdivision 1.”

We request adoption of this report and repassage of the bill.

House Conferees: KAREN CLARK, ROBERT W. REIF and JAMES C. SWANSON.

Senate Conferees: ALLAN H. SPEAR, GENE MERRIAM and RON SIELOFF.

Clark, K., moved that the report of the Conference Committee on H. F. No. 229 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 229, A bill for an act relating to health; allowing any interested person to seek enforcement of certain patient rights; requiring disclosure of certain medical data or medical information for purposes of a lawful investigation; amending Minnesota Statutes 1982, sections 13.42, subdivision 2; 144.335; 254A.09; and Minnesota Statutes 1983 Supplement, section 144.651, subdivision 1.

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

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

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

There were 125 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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	Staten
Begich	Forsythe	Long	Quinn	Swiggum
Bennett	Frerichs	Ludeman	Quist	Swanson
Bergstrom	Graba	Mann	Redalen	Thiede
Bishop	Greenfield	Marsh	Reif	Tomlinson
Blatz	Gruenes	McDonald	Rice	Tunheim
Boo	Gutknecht	McKasy	Riveness	Uphus
Brandl	Haukoos	Minne	Rodosovich	Valan
Brinkman	Heap	Munger	Rodriguez, C.	Valento
Burger	Heinitz	Murphy	Rodriguez, F.	Vanasek
Carlson, L.	Himle	Nelson, D.	Rose	Vellenga
Clark, J.	Hoffman	Nelson, K.	St. Onge	Voss
Clark, K.	Hokr	Neuenschwander	Schafer	Waltman
Clawson	Jacobs	Norton	Scheid	Welch
Cohen	Jennings	O'Connor	Schoenfeld	Welker
Coleman	Jensen	Ogren	Schreiber	Welle
Dempsey	Johnson	Olsen	Seaberg	Wenzel
DenOuden	Kahn	Omann	Segal	Wigley
Dimler	Kelly	Onnen	Shaver	Wynia
Eken	Knickerbocker	Osthoff	Shea	Zaffke
Elioff	Knuth	Otis	Sherman	Speaker Sieben

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

CALL OF THE HOUSE LIFTED

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

SPECIAL ORDERS

S. F. No. 1914 was reported to the House.

Skoglund moved to amend S. F. No. 1914, as follows:

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."*

The motion prevailed and the amendment was adopted.

S. F. No. 1914, 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 third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 119 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

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.

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

The question was taken on the passage of the bill and the roll was called. There were 107 yeas and 17 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Clark, J.	Gutknecht	Krueger	Norton
Anderson, G.	Clark, K.	Haukoos	Larsen	O'Connor
Anderson, R.	Clawson	Heap	Levi	Ogren
Battaglia	Cohen	Himle	Long	Olsen
Beard	Coleman	Hoffman	Mann	Omman
Begich	Dempsey	Hokr	Marsh	Onnen
Bennett	Dimler	Jacobs	McDonald	Otis
Bergstrom	Eken	Jensen	McEachern	Pauly
Bishop	Elioff	Johnson	McKasy	Peterson
Blatz	Ellingson	Kahn	Metzen	Piper
Boo	Erickson	Kalis	Minne	Price
Brandl	Forsythe	Kelly	Munger	Quinn
Brinkman	Graba	Knickerbocker	Murphy	Redalen
Burger	Greenfield	Knuth	Nelson, D.	Rice
Carlson, L.	Gruenes	Kostohryz	Nelson, K.	Riveness

Rodosovich	Schoenfeld	Skoglund	Valan	Welle
Rodriguez, C.	Seaberg	Solberg	Valento	Wenzel
Rodriguez, F.	Segal	Sparby	Vanasek	Wynia
Rose	Shaver	Staten	Vellenga	Speaker Sieben
St. Onge	Shea	Swanson	Voss	
Sarna	Sherman	Tomlinson	Waltman	
Scheid	Simoneau	Uphus	Welch	

Those who voted in the negative were:

Carlson, D.	Frerichs	Osthoff	Schafer	Welker
DenOuden	Jennings	Piepho	Sviggum	Wigley
Findlay	Kvam	Quist	Thiede	Zaffke
Fjoslien	Ludeman			

The bill was passed and its title agreed to.

S. F. No. 2030 was reported to the House.

Simoneau moved to amend S. F. No. 2030, as follows:

Delete everything after the enacting clause and 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.

Sec. 3. Minnesota Statutes 1982, section 299F.011, is amended by adding a subdivision to read:

Subd. 4a. [FAMILY OR GROUP FAMILY DAY CARE HOME REGULATION.] Notwithstanding any contrary provision of this section, the fire marshal shall not adopt or enforce a rule:

(1) establishing staff requirements for family or group family day care homes;

(2) regulating the means of egress from family or group family day care homes in addition to the egress regulations that apply to the home as a single family dwelling; or

(3) confining family or group family day care home activities to the floor of exit discharge.

For purposes of this subdivision, "family or group family day care home" means a single family dwelling in which the day care provider: (1) resides as a member of the household; and (2) provides the services referred to in section 245.782, subdivision 5, to one or more persons. Residency must not be contingent upon caring for children or employment by a licensed or approved child placing agency.

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 public safety; 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; prohibiting the state fire marshal from adopting or enforcing certain rules relating to family or group family day care homes; amending Minnesota Statutes 1982, sections 16.851, by adding a subdivision; 245.802, by adding a subdivision; and 299F.011, by adding a subdivision."

The motion prevailed and the amendment was adopted.

Clark, J., and Haukoos moved to amend S. F. No. 2030, as amended, as follows:

Page 2, line 15, delete everything after "(1)"

Page 2, line 16, delete everything before the semicolon and insert "establishing staff ratios, age distribution requirements, and limitations on the number of children in care"

Page 2, line 26, delete everything after the period.

Page 2, delete lines 27 and 28, and insert:

"Nothing in this subdivision prohibits the department of public welfare from adopting or enforcing rules regulating day care, including the subjects in subdivision 4a, clauses (1) and (3). The department may not, however, adopt or enforce a rule stricter than subdivision 4a, clause (2)."

The department of public welfare may by rule adopt procedures for requesting the state fire marshal or a local fire marshal to conduct an inspection of day care homes to ensure compliance with state or local fire codes."

The motion prevailed and the amendment was adopted.

S. F. No. 2030, 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 third time, as amended, and placed upon its final passage.

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

Those who voted in the affirmative were:

Anderson, B.	Erickson	Kostohryz	Otis	Simoneau
Anderson, C.	Evans	Krueger	Pauly	Skoglund
Anderson, R.	Findlay	Kvam	Peterson	Solberg
Battaglia	Fjoslien	Larsen	Piepho	Sparby
Beard	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	Gutknecht	McDonald	Rice	Tunheim
Brandl	Halberg	McKasy	Riveness	Uphus
Brinkman	Haukoos	Metzen	Rodosovich	Valan
Burger	Heap	Minne	Rodriguez, C.	Valento
Carlson, D.	Himle	Munger	Rodriguez, F.	Vanasek
Carlson, L.	Hoffman	Murphy	Rosse	Vellenga
Clark, J.	Hokr	Nelson, D.	St. Onge	Voss
Clark, K.	Jacobs	Nelson, K.	Sarna	Waltman
Clawson	Jennings	Neuschwander	Schafer	Welch
Cohen	Jensen	Norton	Scheid	Welker
Coleman	Johnson	O'Connor	Schoenfeld	Welle
Dempsey	Kahn	Ogren	Seaberg	Wenzel
DenOuden	Kalis	Olsen	Segal	Wigley
Dimler	Kelly	Omann	Shaver	Wynia
Eken	Knickerbocker	Onnen	Shea	Zaffke
Elioff	Knuth	Osthoff	Sherman	Speaker Sieben

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

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

The bill was passed and its title agreed to.

S. F. No. 992, A bill for an act relating to welfare; requiring parents of children on probation or parole to pay the costs of foster care; amending Minnesota Statutes 1982, sections 242.19, subdivision 2; and 260.251, subdivision 1.

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

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

Those who voted in the affirmative were:

Anderson, B.	Battaglia	Bennett	Blatz	Brinkman
Anderson, G.	Beard	Bergstrom	Boo	Burger
Anderson, R.	Begich	Bishop	Brandl	Carlson, D.

Carlson, L.	Haukoos	Marsh	Quinn	Sparby
Clark, J.	Heap	McDonald	Quist	Staten
Clark, K.	Heinitz	McKasy	Redalen	Swiggum
Clawson	Himle	Metzen	Reif	Swanson
Cohen	Hoffman	Minne	Rice	Thiede
Coleman	Hokr	Munger	Riveness	Tomlinson
Dempsey	Jacobs	Murphy	Rodosovich	Tunheim
DenOuden	Jennings	Nelson, D.	Rodriguez, C.	Uphus
Dimler	Jensen	Nelson, K.	Rodriguez, F.	Valan
Eken	Johnson	Neuenschwander	Rose	Valento
Elioff	Kahn	Norton	St. Onge	Vanasek
Ellingson	Kalis	O'Connor	Sarna	Vellenga
Erickson	Kelly	Ogren	Schafer	Voss
Evans	Knickerbocker	Olsen	Scheid	Waltman
Findlay	Knuth	Omann	Schoenfeld	Welch
Fjoslien	Kostohryz	Onnen	Schreiber	Welker
Forsythe	Krueger	Osthoff	Seaberg	Welle
Frerichs	Kvam	Otis	Segal	Wenzel
Graba	Larsen	Pauly	Shaver	Wigley
Greenfield	Levi	Peterson	Shea	Wynia
Gruenes	Long	Piepho	Sherman	Zaffke
Gutknecht	Ludeman	Piper	Simoneau	
Halberg	Mann	Price	Skoglund	

The bill was passed and its title agreed to.

H. F. No. 2263 was reported to the House.

There being no objection H. F. No. 2263 was temporarily laid over on Special Orders.

CALL OF THE HOUSE

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

Anderson, B.	Evans	Krueger	Pauly	Sherman
Anderson, G.	Findlay	Kvam	Peterson	Simoneau
Anderson, R.	Fjoslien	Larsen	Piepho	Skoglund
Battaglia	Forsythe	Levi	Piper	Solberg
Beard	Frerichs	Long	Price	Sparby
Begich	Graba	Ludeman	Quinn	Staten
Bennett	Greenfield	Mann	Quist	Swiggum
Bishop	Gruenes	Marsh	Redalen	Thiede
Blatz	Gutknecht	McDonald	Reif	Tomlinson
Brandl	Halberg	McKasy	Rice	Tunheim
Brinkman	Haukoos	Minne	Riveness	Uphus
Burger	Heap	Munger	Rodosovich	Valan
Carlson, D.	Heinitz	Murphy	Rodriguez, C.	Valento
Clark, J.	Hoffman	Nelson, D.	Rodriguez, F.	Vanasek
Clark, K.	Hokr	Nelson, K.	Rose	Waltman
Coleman	Jacobs	Neuenschwander	St. Onge	Welch
Dempsey	Jennings	Norton	Schafer	Welker
DenOuden	Jensen	Ogren	Scheid	Welle
Dimler	Johnson	Olsen	Schoenfeld	Wenzel
Eken	Kahn	Omann	Schreiber	Wynia
Elioff	Knickerbocker	Onnen	Seaberg	Zaffke
Ellingson	Knuth	Osthoff	Segal	Speaker Sieben
Erickson	Kostohryz	Otis	Shaver	

Brandl 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.

Kostohryz was excused between the hours of 3:30 p.m. and 4:30 p.m.

S. F. No. 433 was reported to the House.

Heap moved to amend S. F. No. 433, as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 177.27, subdivision 4, is amended to read:

Subd. 4. The commissioner may investigate (, **MEDIATE, AND SETTLE**) a wage (**CLAIMS**) claim by an employee against an employer if the failure to pay any wage may violate Minnesota laws or any order or rule of the department thereunder. *If upon investigation the commissioner determines that a violation has occurred, the commissioner shall require the employer to pay to the department within 30 days the appropriate amount of the wage claim, as determined by the commissioner, plus simple interest at a rate of 8 percent per annum calculated from the time the wages constituting the wage claim were due and payable. The commissioner shall then pay the amount of the wage claim plus interest to the employee.*

Sec. 2. Minnesota Statutes 1982, section 177.27, subdivision 5, is amended to read:

Subd. 5. The commissioner may commence a civil action in any court of competent jurisdiction for the benefit of any employee for appropriate relief with respect to any wage claim which the commissioner (**DEEMS**) *considers* to be valid (,) upon:

(1) *the employer's failure to pay a wage claim plus interest as provided under subdivision 4; or*

(2) a written request being filed with the commissioner by the employee, provided (: (1) the failure to pay the wage would constitute a violation of Minnesota laws or any order or rule of the department thereunder (, **AND (2) THE WAGE CLAIM DOES NOT EXCEED \$300**).

The employer shall pay all costs and disbursements as may be allowed by the court, and shall further pay an assessment of ten percent of the amount of any awarded wage claim to the treasurer of the state of Minnesota. In any action herein no security for payment of costs shall be required.

Nothing herein shall be construed to prevent an employee from prosecuting his own claim for wages.

Sec. 3. Minnesota Statutes 1983 Supplement, section 177.30, is amended to read:

177.30 [KEEPING RECORDS.]

Every employer subject to sections 177.21 to 177.35 or any rule adopted pursuant to those sections shall make and keep, for a period of not less than three years in or about the premises in which any employee is employed, a record of the name, address and occupation of each employee, the rate of pay, and the amount paid each pay period to each employee, the hours worked each day and each workweek by the employee, and other information as deemed necessary and appropriate by the commissioner for the enforcement of sections 177.21 to 177.35.

(THE COMMISSIONER MAY IMPOSE A PENALTY OF UP TO \$100 ON AN EMPLOYER FOR EACH FAILURE OF THE EMPLOYER TO MAINTAIN RECORDS AS REQUIRED BY THIS SECTION. THE PENALTY IMPOSED BY THIS SECTION IS IN ADDITION TO ANY PENALTIES PROVIDED UNDER SECTION 177.32, SUBDIVISION 1.)

Sec. 4. Minnesota Statutes 1983 Supplement, section 177.32, subdivision 1, is amended to read:

Subdivision 1. An employer who does any of the following is guilty of a misdemeanor *and subject to a civil fine of \$500 for each violation*: (a) hinders or delays the commissioner or an authorized representative in the performance of duties required under sections 177.21 to 177.35; (b) refuses to admit the commissioner or an authorized representative to the place of business or employment of the employer, as required by section 177.27, subdivision 1; (c) consistently and repeatedly fails to make, keep, and preserve records as required by section 177.30; (d) falsifies any record; (e) refuses to make any record available, or to furnish a sworn statement of the record or any other information as required by section 177.27; (f) consistently and repeatedly fails to post a summary of sections 177.21 to 177.35 or a copy or summary of the applicable rules as required by section 177.31; (g) pays or agrees to pay wages at a rate less than the rate required under sections 177.21 to 177.35; or (h) otherwise violates any provision of sections 177.21 to 177.35 or any rule adopted pursuant to those sections.

Sec. 5. [REPORT TO LEGISLATURE.]

The commissioner of labor and industry shall report to the legislature by January 1, 1985 concerning recommendations for improving enforcement of the Minnesota Fair Labor Standards Act."

Delete the title and insert:

"A bill for an act relating to labor; requiring an employer to pay certain wage claims to the department of labor and industry; providing for a civil fine of \$500 for certain violations of the minimum wage law; removing a certain limitation on commencing civil actions for minimum wage law violations; eliminating a penalty; requiring the commissioner of labor and industry to report to the legislature on recommendations to improve enforcement of the minimum wage law; amending Minnesota Statutes 1982, section 177.27, subdivisions 4 and 5; and Minnesota Statutes 1983 Supplement, sections 177.30; and 177.32, subdivision 1."

A roll call was requested and properly seconded.

POINT OF ORDER

Murphy raised a point of order pursuant to rule 3.9 that the amendment was not in order. The Speaker Pro tem Wynia ruled the point of order not well taken and the amendment in order.

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

The Speaker resumed the Chair.

The question recurred on the Heap amendment and the roll was called.

Eken 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:

Bennett	Findlay	Johnson	Pauly	Thiede
Bishop	Fjoslien	Kalis	Piepho	Uphus
Blatz	Forsythe	Knickerbocker	Quist	Valan
Boo	Frerichs	Krueger	Redalen	Valento
Brinkman	Gruenes	Levi	Reif	Waltman
Burger	Gutknecht	Ludeman	Rose	Welker
Carlson, D.	Halberg	Marsh	Schafer	Wigley
Dempsey	Haukoos	McDonald	Schreiber	Zaffke
DenOuden	Heap	McKasy	Seaberg	
Dimler	Himle	Olsen	Shaver	
Erickson	Hokr	Omann	Sherman	
Evans	Jennings	Onnen	Sviggum	

Those who voted in the negative were:

Anderson, B.	Bear	Brandl	Clark, K.	Coleman
Anderson, G.	Begich	Carlson, L.	Clawson	Eken
Battaglia	Bergstrom	Clark, J.	Cohen	Elioff

Ellingson	Minne	Peterson	Scheid	Vellenga
Greenfield	Munger	Piper	Schoenfeld	Voss
Hoffman	Murphy	Price	Shea	Welch
Jacobs	Nelson, D.	Quinn	Simoneau	Welle
Jensen	Nelson, K.	Rice	Skoglund	Wenzel
Kahn	Neuenschwander	Rivness	Solberg	Wynia
Kelly	Norton	Rodosovich	Sparby	Speaker Sieben
Knuth	O'Connor	Rodriguez, C.	Staten	
Larsen	Ogren	Rodriguez, F.	Tomlinson	
Long	Osthoff	St. Onge	Tunheim	
Mann	Otis	Sarna	Vanasek	

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

Seaberg moved to amend S. F. No. 433, as follows:

Page 1, lines 12 through 16, delete the new language.

Page 1, line 19, after "stating" insert "(1)"

Page 1, line 22, after "employer" insert "*and (2) that his average hourly income for the period, including wages and tips, was equal to or greater than 110 percent of the minimum wage set forth in section 177.24, subdivision 1*"

Amend the title as follows:

Page 1, line 3, delete "phasing out" and insert "modifying"

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 58 yeas and 67 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Evans	Jennings	Omamn	Sherman
Bennett	Findlay	Johnson	Onnen	Sviggum
Bishop	Fjoslien	Kalis	Pauly	Thiede
Blatz	Forsythe	Knickerbocker	Piepho	Uphus
Boo	Frerichs	Kvam	Quist	Valan
Brinkman	Gruenes	Levi	Redalen	Valento
Burger	Gutknecht	Ludeman	Reif	Waltman
Carlson, D.	Halberg	Marsh	Rose	Weiker
Dempsey	Hankoos	McDonald	Schafer	Wigley
DenOuden	Heap	McEachern	Schreiber	Zaffke
Dimler	Himle	McKasy	Seaberg	
Erickson	Hokr	Olsen	Shaver	

Those who voted in the negative were:

Anderson, B.	Beard	Brandl	Clark, K.	Coleman
Anderson, G.	Begich	Carlson, L.	Clawson	Eken
Battaglia	Bergstrom	Clark, J.	Cohen	Elioff

Ellingson	Mann	Otis	Sarna	Vanasek
Greenfield	Minne	Peterson	Scheid	Vellenga
Hoffman	Munger	Piper	Schoenfeld	Voss
Jacobs	Murphy	Price	Segal	Welch
Jensen	Nelson, D.	Quinn	Simoneau	Welle
Kahn	Nelson, K.	Rice	Skoglund	Wenzel
Kelly	Neuenschwander	Riveness	Solberg	Wynia
Knuth	Norton	Rodosovich	Sparby	Speaker Sieben
Krueger	O'Connor	Rodriguez, C.	Staten	
Larsen	Ogren	Rodriguez, F.	Tomlinson	
Long	Osthoff	St. Onge	Tunheim	

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

Seaberg moved to amend S. F. No. 433, as follows:

Page 1, after line 23, insert:

"Section 2. Minnesota Statutes 1982, section 177.24, subdivision 3 is repealed effective January 1, 1988."

Amend the title as follows:

Page 1, line 4, after the period, insert:

"repealing Minnesota Statutes 1982, section 177.24, subdivision 3."

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 70 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Erickson	Himle	Onnen	Shaver
Bennett	Evans	Jennings	Otis	Shea
Bishop	Fjoslien	Johnson	Pauly	Sherman
Boo	Forsythe	Kalis	Piepho	Uphus
Brinkman	Frerichs	Knickerbocker	Redalen	Valan
Burger	Gutknecht	Levi	Reif	Valento
Carlson, D.	Halberg	Marsh	Rose	Waltman
Dempsey	Haukoos	McEachern	Schreiber	Wigley
Dimler	Heap	Omann	Seaberg	

Those who voted in the negative were:

Anderson, B.	Beard	Blatz	Clark, J.	Cohen
Anderson, G.	Begich	Brandl	Clark, K.	Coleman
Battaglia	Bergstrom	Carlson, L.	Clawson	DenOuden

Eken	Long	Peterson	Schafer	Tunheim
Elioff	Ludeman	Piper	Scheid	Vanasek
Ellingson	Minne	Price	Schoenfeld	Vellenga
Greenfield	Murphy	Quinn	Simoneau	Voss
Hoffman	Nelson, D.	Rice	Skoglund	Welch
Jacobs	Nelson, K.	Riveness	Solberg	Welker
Jensen	Neuenschwander	Rodosovich	Sparby	Welle
Kelly	Norton	Rodriguez, C.	Staten	Wenzel
Knuth	O'Connor	Rodriguez, F.	Sviggum	Wynia
Krueger	Ogren	St. Onge	Thiede	Zaffke
Larsen	Osthoff	Sarna	Tomlinson	Speaker Sieben

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

Heap moved to amend S. F. No. 433, as follows :

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 17-1/2 percent of the minimum wage effective January 1, 1985, to 15 percent effective January 1, 1986, to 12-1/2 percent effective January 1, 1987, to 10 percent effective January 1, 1988, to 7-1/2 percent effective January 1, 1989, to 5 percent effective January 1, 1990, and to 2-1/2 percent effective January 1, 1991. No credit shall be allowed after January 1, 1992.*"

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 68 nays as follows :

Those who voted in the affirmative were:

Bishop	Forsythe	Kvam	Piepho	Thiede
Blatz	Frerichs	Levi	Quist	Uphus
Boo	Gutknecht	Ludeman	Redalen	Valan
Brinkman	Halberg	Marsh	Reif	Valento
Burger	Haukoos	McDonald	Rose	Waltman
Carlson, D.	Heap	McEachern	Schafer	Welker
Dempsey	Himle	McKasy	Schreiber	Wenzel
DenOuden	Hoffman	Metzen	Seaberg	Wigley
Dimler	Johnson	Olsen	Shaver	Zaffke
Evans	Kalis	Omann	Shea	
Findlay	Knickerbocker	Onnen	Sherman	
Fjoslien	Kostohryz	Pauly	Sviggum	

Those who voted in the negative were:

Anderson, B.	Elioff	Mann	Price	Solberg
Anderson, G.	Ellingson	Minne	Quinn	Sparby
Battaglia	Erickson	Munger	Rice	Staten
Beard	Greenfield	Murphy	Riveness	Tomlinson
Begich	Gruenes	Nelson, D.	Rodosovich	Tunheim
Bergstrom	Jacobs	Nelson, K.	Rodriguez, C.	Vanasek
Brandl	Jennings	Neuenschwander	Rodriguez, F.	Vellenga
Carlson, L.	Jensen	Norton	St. Onge	Voss
Clark, J.	Kahn	O'Connor	Sarna	Welch
Clark, K.	Kelly	Ogren	Scheid	Welle
Clawson	Knuth	Osthoff	Schoenfeld	Wynia
Cohen	Krueger	Otis	Segal	Speaker Sieben
Coleman	Larsen	Peterson	Simoneau	
Eken	Long	Piper	Skoglund	

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

S. F. No. 433, A bill for an act relating to labor; regulating the minimum wage by phasing out the tip credit; amending Minnesota Statutes 1982, section 177.28, 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.

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

There were 68 yeas and 61 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Brandl	Coleman	Jacobs	Larsen
Anderson, G.	Carlson, L.	Eken	Jensen	Long
Battaglia	Clark, J.	Elioff	Kahn	Mann
Beard	Clark, K.	Ellingson	Kelly	McEachern
Begich	Clawson	Greenfield	Knuth	Metzen
Bergstrom	Cohen	Hoffman	Kostohryz	Minne

Munger	Osthoff	Rodriguez, C.	Skoglund	Voss
Murphy	Otis	Rodriguez, F.	Solberg	Welch
Nelson, D.	Peterson	St. Onge	Sparby	Welle
Nelson, K.	Piper	Sarna	Staten	Wenzel
Neuenschwander	Price	Scheid	Tomlinson	Wynia
Norton	Quinn	Segal	Tunheim	Speaker Sieben
O'Connor	Rice	Shea	Vanasek	
Ogren	Riveness	Simoneau	Vellenga	

Those who voted in the negative were:

Anderson, R.	Findlay	Johnson	Pauly	Svigum
Bennett	Fjoshien	Kalis	Piepho	Thiede
Bishop	Forsythe	Knickerbocker	Quist	Uphus
Blatz	Frerichs	Krueger	Redalen	Valan
Boo	Graba	Kvam	Reif	Valento
Brinkman	Gruenes	Levi	Rodosovich	Waltman
Burger	Gutknecht	Ludeman	Rose	Welker
Carlson, D.	Halberg	Marsh	Schafer	Wigley
Dempsey	Haukoos	McDonald	Schoenfeld	Zaffke
DenOuden	Heap	McKasy	Schreiber	
Dimler	Himle	Olsen	Seaberg	
Erickson	Hokr	Omann	Shaver	
Evans	Jennings	Onnen	Sherman	

The bill was passed and its title agreed to.

S. F. No. 120, A bill for an act relating to local government; authorizing counties or cities to enact ordinances against trespassing under certain conditions; prescribing penalties; 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.

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

There were 125 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Clawson	Graba	Kelly	Metzen
Anderson, G.	Cohen	Greenfield	Knickerbocker	Minne
Battaglia	Coleman	Gruenes	Knuth	Munger
Beard	Dempsey	Gutknecht	Kostohryz	Murphy
Begich	DenOuden	Halberg	Krueger	Nelson, D.
Bennett	Dimler	Haukoos	Kvam	Nelson, K.
Bishop	Eken	Heap	Larsen	Neuenschwander
Blatz	Elioff	Himle	Levi	Norton
Boo	Ellingson	Hoffman	Long	O'Connor
Brandl	Erickson	Hokr	Ludeman	Ogren
Brinkman	Evans	Jacobs	Mann	Olsen
Burger	Findlay	Jennings	Marsh	Omann
Carlson, D.	Fjoshien	Jensen	McDonald	Onnen
Carlson, L.	Forsythe	Johnson	McEachern	Osthoff
Clark, J.	Frerichs	Kahn	McKasy	Otis

Pauly	Riveness	Schreiber	Staten	Voss
Peterson	Rodosovich	Seaberg	Sviggum	Waltman
Piepho	Rodriguez, C.	Segal	Thiede	Welch
Piper	Rodriguez, F.	Shaver	Tomlinson	Welker
Price	Rose	Shea	Tunheim	Welle
Quinn	St. Onge	Sherman	Uphus	Wenzel
Quist	Sarna	Simoneau	Valan	Wigley
Redalen	Schafer	Skoglund	Valento	Wynia
Reif	Scheid	Solberg	Vanasek	Zaffke
Rice	Schoenfeld	Sparby	Vellenga	Speaker Sieben

The bill was passed and its title agreed to.

S. F. No. 924, A bill for an act relating to marriage dissolution; excluding mediators' information except on consent of the parties; providing for deposing of investigators; amending Minnesota Statutes 1982, section 518.167.

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

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

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

There were 107 yeas and 9 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Elioff	Krueger	Piepho	Sparby
Anderson, C.	Ellingson	Kvam	Piper	Staten
Battaglia	Erickson	Larsen	Price	Sviggum
Beard	Evans	Levi	Quinn	Thiede
Begich	Findlay	Long	Redalen	Tomlinson
Bennett	Fjoslien	Ludeman	Reif	Tunheim
Bishop	Forsythe	Mann	Rice	Uphus
Blatz	Frerichs	Marsh	Riveness	Valan
Boo	Greenfield	McDonald	Rodosovich	Valento
Brandl	Halberg	Minne	Rodriguez, C.	Vanaasek
Brinkman	Haukoos	Munger	Rodriguez, F.	Vellenga
Burger	Heap	Murphy	Rose	Voss
Carlson, L.	Hoffman	Nelson, D.	St. Onge	Welch
Clark, J.	Jacobs	Nelson, K.	Scheid	Welle
Clark, K.	Jennings	Neuenschwander	Schoenfeld	Wenzel
Clawson	Jensen	Norton	Seaberg	Wigley
Cohen	Johnson	Olsen	Shaver	Wynia
Coleman	Kahn	Omann	Shea	Zaffke
Dempsey	Kelly	Onnen	Sherman	Speaker Sieben
DenOuden	Knickerbocker	Otis	Simoneau	
Dimler	Knuth	Pauly	Skoglund	
Eken	Kostohryz	Peterson	Solberg	

Those who voted in the negative were:

Kalis	Metzen	Ogren	Sarna	Waltman
McEachern	O'Connor	Osthoff	Schreiber	

The bill was passed 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.

S. F. No. 1561, 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.

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

The bill was passed and its title agreed to.

H. F. No. 1665 was reported to the House.

Vanasek moved that H. F. No. 1665 be returned to its author. The motion prevailed.

S. F. No. 1442, 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 third 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 5 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Frerichs	Knickerbocker	Marsh	Welker	Wigley
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The bill was passed and its title agreed to.

H. F. No. 1935 was reported to the House.

Dempsey moved that H. F. No. 1935 be returned to its author. The motion prevailed.

S. F. No. 1330 was reported to the House.

Olsen moved to amend S. F. No. 1330, as follows:

Page 1, line 14, after "landlord" delete "up to"

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

S. F. No. 1330, 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 from residential premises; proposing new law coded in Minnesota Statutes, chapter 504.

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

The question was taken on the passage of the bill and the roll was called. There were 107 yeas and 12 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Evans	Krueger	Osthoff	Simoneau
Anderson, G.	Findlay	Kvam	Otis	Skoglund
Anderson, R.	Fjoslien	Larsen	Pauly	Solberg
Battaglia	Forsythe	Levi	Peterson	Sparby
Beard	Graba	Long	Piepho	Staten
Begich	Greenfield	Mann	Piper	Thiede
Bennett	Gruenes	Marsh	Price	Tomlinson
Bergstrom	Gutknecht	McEachern	Quinn	Tunheim
Blatz	Halberg	McKasy	Redalen	Uphus
Brandl	Heap	Metzen	Reif	Valento
Brinkman	Himle	Minne	Rodosovich	Vanasek
Burger	Hoffman	Munger	Rodriguez, C.	Vellenga
Carlson, D.	Hokr	Murphy	Rodriguez, F.	Voss
Carlson, L.	Jacobs	Nelson, D.	Rose	Waltman
Clark, J.	Jensen	Nelson, K.	St. Onge	Welch
Clark, K.	Johnson	Neuenschwander	Sarna	Welle
Clawson	Kahn	Norton	Scheid	Wenzel
Cohen	Kalis	O'Connor	Schoenfeld	Wynia
Dempsey	Kelly	Ogren	Schreiber	Speaker Sieben
Eken	Knickerbocker	Olsen	Seaberg	
Elioff	Knuth	Omann	Shea	
Ellingson	Kostohryz	Onnen	Sherman	

Those who voted in the negative were:

DenOuden	Frerichs	Ludeman	Quist	Wigley
Dimler	Haukoos	McDonald	Welker	Zaffke
Erickson	Jennings			

The bill was passed and its title agreed to.

S. F. No. 1452 was reported to the House.

Voss moved to amend S. F. No. 1452, as follows:

Page 1, after line 6, insert:

"Section 1. [524.3-722] [JUDICIAL REVIEW OF FEES AS PERSONAL REPRESENTATIVE.]

An interested person may seek court review of fees charged by a trust company performing services of a personal representative in the manner provided in section 524.3-721. In determining the reasonableness of the fees charged by a trust company performing services as a personal representative, the court must give consideration to the factors listed in section 524.3-719, paragraph (b), provided the value of the estate is not the controlling factor."

Renumber the section

Amend the title as follows:

Page 1, line 3, after the semicolon, insert "regulating fees charged by a trust acting as a personal representative;"

Page 1, line 4, delete "section" and insert "sections 524.3-722; and"

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 67 yeas and 53 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Findlay	Mann	Peterson	Solberg
Battaglia	Frerichs	McDonald	Piper	Sparby
Beard	Graba	McEachern	Quinn	Staten
Begich	Greenfield	Metzen	Redalen	Tomlinson
Bergstrom	Jacobs	Minne	Reif	Tunheim
Brandl	Kahn	Munger	Riveness	Valan
Brinkman	Kalis	Murphy	Rodosovich	Vanasek
Carlson, L.	Kelly	Nelson, D.	Rodriguez, F.	Voss
Clark, J.	Knuth	Nelson, K.	St. Onge	Welch
Clark, K.	Kostohryz	O'Connor	Sarna	Welle
Clawson	Krueger	Ogren	Scheid	Wynia
Eken	Larsen	Onnen	Schoenfeld	
Elioff	Long	Osthoff	Segal	
Ellingson	Ludeman	Otis	Simoneau	

Those who voted in the negative were:

Anderson, R.	Erickson	Jennings	Pauly	Uphus
Bennett	Evans	Jensen	Piepho	Valento
Bishop	Fjoslien	Johnson	Quist	Vellenga
Blatz	Forsythe	Knickerbocker	Rodriguez, C.	Waltman
Boo	Gruenes	Kvam	Rose	Welker
Burger	Gutknecht	Levi	Schafer	Wenzel
Carlson, D.	Halberg	Marsh	Schreiber	Wigley
Cohen	Haukoos	McKasy	Seaberg	Zaffke
Dempsey	Heap	Norton	Shaver	Speaker Sieben
DenOuden	Himle	Olsen	Sherman	
Dimler	HoKi	Omann	Thiede	

The motion prevailed and the amendment was adopted.

S. F. No. 1452, A bill for an act relating to trusts; eliminating the requirement of qualifying trustees in certain cases; amending Minnesota Statutes 1982, section 524.3-913.

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

The question was taken on the passage of the bill and the roll was called. There were 80 yeas and 43 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Coleman	Larsen	Peterson	Simoneau
Anderson, G.	Eken	Long	Piper	Skoglund
Anderson, R.	Elioff	Mann	Price	Solberg
Battaglia	Ellingson	McEachern	Quinn	Sparby
Beard	Findlay	Metzen	Redalen	Staten
Begich	Forsythe	Minne	Riveness	Tomlinson
Bergstrom	Graba	Munger	Rodosovich	Tunheim
Bishop	Heap	Murphy	Rodriguez, C.	Valan
Boo	Jacobs	Nelson, D.	Rodriguez, F.	Vanasek
Brandl	Jensen	Nelson, K.	Rose	Vellenga
Brinkman	Kahn	Neuenschwander	St. Onge	Voss
Carlson, D.	Kalis	O'Connor	Sarna	Welch
Carlson, L.	Kelly	Ogren	Scheid	Welle
Clark, J.	Knuth	Onnen	Schoenfeld	Wenzel
Clark, K.	Kostohryz	Osthoff	Segal	Wynia
Clawson	Krueger	Otis	Sherman	Speaker Sieben

Those who voted in the negative were:

Bennett	Fjoslien	Johnson	Omann	Thiede
Blatz	Frerichs	Knickerbocker	Pauly	Uphus
Burger	Gruenes	Kvam	Piepho	Valento
Cohen	Gutknecht	Levi	Quist	Waltman
Dempsey	Halberg	Ludeman	Reif	Welker
DenOuden	Haukoos	Marsh	Schafer	Wigley
Dimler	Himle	McKasy	Schreiber	Zafke
Erickson	Hokr	Norton	Seaberg	
Evans	Jennings	Olsen	Shaver	

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

H. F. No. 2021, 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.

The bill was read for the third 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 9 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Elioff	Kvam	Osthoff	Shaver
Anderson, R.	Ellingson	Larsen	Otis	Sherman
Battaglia	Evans	Levi	Peterson	Simoneau
Beard	Findlay	Long	Piepho	Skoglund
Begich	Fjoslien	Mann	Piper	Solberg
Bennett	Forsythe	Marsh	Price	Sparby
Bishop	Graba	McEachern	Quinn	Staten
Blatz	Greenfield	McKasy	Reif	Tomlinson
Brandl	Gutknecht	Metzen	Rice	Tunheim
Brinkman	Halberg	Minne	Riveness	Uphus
Burger	Heap	Munger	Rodosovich	Valan
Carlson, D.	Jacobs	Murphy	Rodriguez, C.	Valento
Clark, J.	Jensen	Nelson, D.	Rodriguez, F.	Vanasek
Clark, K.	Kahn	Nelson, K.	Rose	Vellenga
Clawson	Kalis	Neuenschwander	St. Onge	Voss
Cohen	Kelly	Norton	Sarna	Welch
Coleman	Knickerbocker	O'Connor	Scheid	Welle
Dempsey	Knuth	Ogren	Schoenfeld	Wenzel
Dimler	Kostohryz	Olsen	Schreiber	Wynia
Eken	Krueger	Omann	Segal	Speaker Sieben

Those who voted in the negative were:

Anderson, G.	Haukoos	Onnen	Redalen	Waltman
Erickson	Jennings	Quist	Seaberg	

The bill was passed and its title agreed to.

S. F. No. 2102, A bill for an act relating to health; providing counseling and educational services for sudden infant death syndrome families; encouraging 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 144.07; 144.222; and 390.11.

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 125 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Carlson, L.	Findlay	Jennings	Ludeman
Anderson, G.	Clark, J.	Fjoslien	Jensen	Mann
Anderson, R.	Clark, K.	Forsythe	Johnson	Marsh
Battaglia	Clawson	Frerichs	Kahn	McDonald
Beard	Cohen	Graba	Kalis	McEachern
Begich	Coleman	Greenfield	Kelly	McKasy
Bennett	Dempsey	Gruenes	Knickerbocker	Metzen
Bishop	DenOuden	Gutknecht	Knuth	Minne
Blatz	Dimler	Halberg	Kostohryz	Munger
Boo	Eken	Haukoos	Krueger	Murphy
Brandl	Elioff	Heap	Kvam	Nelson, D.
Brinkman	Ellingson	Himle	Larsen	Nelson, K.
Burger	Erickson	Hokr	Levi	Neuenschwander
Carlson, D.	Evans	Jacobs	Long	Norton

O'Connor	Price	Sarna	Solberg	Vellenga
Ogren	Quinn	Schafer	Sparby	Voss
Olsen	Redalen	Scheid	Staten	Waltman
Omman	Reif	Schoenfeld	Sviggum	Welch
Onnen	Rice	Schreiber	Thiede	Welker
Osthoff	Riveness	Seaberg	Tomlinson	Welle
Otis	Rodosovich	Segal	Tunheim	Wenzel
Pauly	Rodriguez, C.	Shaver	Uphus	Wigley
Peterson	Rodriguez, F.	Sherman	Valan	Wynia
Piepho	Rose	Simoneau	Valento	Zaffke
Piper	St. Onge	Skoglund	Vanasek	Speaker Sieben

The bill was passed and its title agreed to.

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 third 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 7 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Ellingson	Kostohryz	Osthoff	Shaver
Anderson, G.	Erickson	Krueger	Otis	Sherman
Battaglia	Evans	Kvam	Pauly	Simoneau
Beard	Findlay	Larsen	Peterson	Skoglund
Begich	Fjoslien	Levi	Piepho	Solberg
Bennett	Forsythe	Long	Piper	Sparby
Bergstrom	Frerichs	Ludeman	Price	Staten
Bishop	Graba	Mann	Quinn	Sviggum
Blatz	Greenfield	Marsh	Quist	Tomlinson
Boo	Gruenes	McDonald	Redalen	Tunheim
Brandl	Cutknecht	McEachern	Reif	Valan
Brinkman	Halberg	McKasy	Rice	Valento
Burger	Haukoos	Metzen	Riveness	Vanasek
Carlson, D.	Heap	Minne	Rodosovich	Vellenga
Carlson, L.	Himle	Munger	Rodriguez, C.	Voss
Clark, J.	Jacobs	Murphy	Rodriguez, F.	Waltman
Clark, K.	Jennings	Nelson, D.	Rose	Welch
Clawson	Jensen	Nelson, K.	St. Onge	Welle
Cohen	Johnson	Neuenschwander	Sarna	Wenzel
Coleman	Kahn	Norton	Scheid	Wynia
Dempsey	Kalis	Ogren	Schoenfeld	Zaffke
Dimler	Kelly	Olsen	Schreiber	Speaker Sieben
Eken	Knickerbocker	Omman	Seaberg	
Elioff	Knuth	Onnen	Segal	

Those who voted in the negative were:

DenOuden	Schafer	Uphus	Welker	Wigley
O'Connor	Thiede			

The bill was passed and its title agreed to.

S. F. No. 2043 was reported to the House.

Welch moved to amend S. F. No. 2043, as follows:

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, board, or commission created under chapter 473.*

Sec. 2. [3.9741] [COST OF EXAMINATION, BILLING, PAYMENT.]

Upon the audit of the financial accounts and affairs of any commission pursuant to section 473.413, 473.595, 473.604, or 473.703, the affected metropolitan commission is liable to the state for the total cost and expenses of the audit, including the salaries paid to the examiners while actually engaged in making the examination. The legislative auditor may bill the metropolitan commission either monthly or at the completion of the audit. All collections received for the audits must be deposited in the general fund.

Sec. 3. Minnesota Statutes 1982, section 473.413, subdivision 11, is amended to read:

Subd. 11. [COMMISSION; AUDITOR OF FINANCES.] The (COMMISSION SHALL EMPLOY A CERTIFIED PUBLIC ACCOUNTANT OR FIRM THEREOF TO) *legislative auditor shall* make an annual audit of the commission's financial accounts and affairs for the last fiscal year on or before November 30 of each year (, AND). Copies of the report thereof shall be filed and kept open to public inspection in the offices of the secretary of the commission and the secretary of state. The information in the audit shall be contained in the annual report and distributed in accordance with section 473.445.

Sec. 4. Minnesota Statutes 1982, section 473.595, subdivision 5, is amended to read:

Subd. 5. [AUDIT.] The (COMMISSION ONCE EACH YEAR) *legislative auditor shall (HAVE) make an independent audit (MADE) of (ITS) the commission's books and accounts (BY A CERTIFIED PUBLIC ACCOUNTANT) once each year*

or as often as the legislative auditor's funds and personnel permit. The costs of the audits shall be paid by the commission pursuant to section 2. (ONCE EACH YEAR THE COMMISSION SHALL PREPARE AND FILE A WRITTEN REPORT WITH THE LEGISLATIVE AUDITOR IN SUCH FORM AND CONTAINING SUCH INFORMATION AS THE LEGISLATIVE AUDITOR MAY PRESCRIBE.) The council (OR THE LEGISLATIVE AUDITOR) may examine the commission's books and accounts at any time.

Sec. 5. Minnesota Statutes 1982, section 473.604, is amended by adding a subdivision to read:

Subd. 6. [AUDIT.] The legislative auditor shall audit the books and accounts of the commission once each year or as often as the legislative auditor's funds and personnel permit. The commission shall pay the total cost of the audit pursuant to section 2.

Sec. 6. Minnesota Statutes 1982, section 473.703, is amended by adding a subdivision to read:

Subd. 10. [AUDIT.] The legislative auditor shall audit the books and accounts of the commission once each year or as often as the legislative auditor's funds and personnel permit. The commission shall pay the total cost of the audit pursuant to section 2.

Sec. 7. [APPROPRIATION.]

For the fiscal year ending June 30, 1985, the sum of \$95,700 is appropriated from the general fund to the legislative audit commission. This appropriation is for personnel and expenses related to the duties contained in sections 1 to 6. It is estimated that \$95,700 in nondedicated receipts will be deposited in the general fund during fiscal year 1985. The legislative auditor shall determine whether providing these services with the staff of the auditor or using consultant services for these functions is more cost effective."

Delete the title and insert:

"A bill for an act relating to the legislative auditor; clarifying authority to perform program evaluations of metropolitan commissions; authorizing the audit of certain metropolitan commissions; appropriating money; amending Minnesota Statutes 1982, sections 3.971, subdivision 2; 473.413, subdivision 11; 473.595, subdivision 5; 473.604, by adding a subdivision; and 473.703, by adding a subdivision; proposing new law coded in Minnesota Statutes, chapter 3."

The motion prevailed and the amendment was adopted.

Welch moved to amend S. F. No. 2043, as amended, as follows:

Page 3, line 18, delete "whether" and insert "which is more cost effective."

Page 3, line 20, delete "is more cost effective" and after the period insert, "Following this determination the legislative auditor may contract with a certified public accountant or firm thereof."

The motion prevailed and the amendment was adopted.

S. F. No. 2043, A bill for an act relating to the legislative auditor; authorizing the audit of metropolitan agencies, boards, and commissions; amending Minnesota Statutes 1982, sections 3.971, subdivision 1; 473.08, subdivision 4; 473.141, by adding a subdivision; 473.413, subdivision 11; 473.543, subdivision 5; 473.595, subdivision 5; 473.604, by adding a subdivision; 473.703, by adding a subdivision; and Minnesota Statutes 1983 Supplement, section 3.972, subdivision 2.

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

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

Those who voted in the affirmative were:

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

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

S. F. No. 1441, 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; appropriating money; amending Minnesota Statutes 1982, sections 129A.01 and 129A.08.

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

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

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

S. F. No. 1614, 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 third 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 12 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Battaglia	Bennett	Brinkman	Carlson, L.
Anderson, G.	Beard	Bergstrom	Burger	Clark, J.
Anderson, R.	Begich	Brandl	Carlson, D.	Clark, K.

Clawson	Hoffman	Metzen	Redalen	Sparby
Cohen	Hokr	Minne	Reif	Staten
Coleman	Jacobs	Munger	Rice	Svigum
DenOuden	Jennings	Murphy	Riveness	Thiede
Dimler	Jensen	Nelson, D.	Rodosovich	Tomlinson
Eken	Johnson	Nelson, K.	Rodriguez, C.	Tunheim
Elioff	Kahn	Neuenschwander	Rodriguez, F.	Uphus
Ellingson	Kalis	Norton	Rose	Valan
Erickson	Kelly	O'Connor	Sarna	Valento
Evans	Knickerbocker	Ogren	Scheid	Vanasek
Findlay	Knuth	Olsen	Schoenfeld	Vellenga
Forsythe	Kostohryz	Omann	Schreiber	Voss
Frerichs	Krueger	Onnen	Seaberg	Waltman
Graba	Larsen	Osthoff	Segal	Welch
Greenfield	Long	Otis	Shea	Welle
Gruenes	Mann	Peterson	Sherman	Wenzel
Gutknecht	Marsh	Piper	Simoneau	Wynia
Heap	McDonald	Price	Skoglund	Zaffke
Himle	McKasy	Quinn	Solberg	Speaker Sicben

Those who voted in the negative were:

Blatz	Haukoos	Pauly	Schafer	Welker
Dempsey	Kvam	Piepho	Shaver	Wigley
Fjoslien	Ludeman			

The bill was passed and its title agreed to.

S. F. No. 1884, A bill for an act relating to occupations and professions; establishing a task force to study the problem of sexual exploitation by counselors and therapists.

The bill was read for the third 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.	Dempsey	Jacobs	Minne	Redalen
Anderson, G.	DenOuden	Jennings	Munger	Reif
Anderson, R.	Dimler	Jensen	Murphy	Rice
Battaglia	Eken	Johnson	Nelson, D.	Riveness
Beard	Elioff	Kahn	Nelson, K.	Rodosovich
Begich	Ellingson	Kalis	Neuenschwander	Rodriguez, C.
Bennett	Erickson	Kelly	Norton	Rodriguez, F.
Bergstrom	Evans	Knickerbocker	O'Connor	Rose
Bishop	Findlay	Knuth	Ogren	St. Onge
Blatz	Fjoslien	Kostohryz	Olsen	Sarna
Boo	Forsythe	Krueger	Omann	Schafer
Brandl	Frerichs	Kvam	Onnen	Scheid
Brinkman	Graba	Larsen	Osthoff	Schoenfeld
Burger	Greenfield	Levi	Otis	Seaberg
Carlson, D.	Gutknecht	Long	Pauly	Segal
Carlson, L.	Halberg	Mann	Peterson	Shea
Clark, J.	Haukoos	Marsh	Piepho	Sherman
Clark, K.	Heap	McDonald	Piper	Simoneau
Clawson	Himle	McEachern	Price	Skoglund
Cohen	Hoffman	McKasy	Quinn	Solberg
Coleman	Hokr	Metzen	Quist	Sparby

Staten	Uphus	Vellenga	Welle	Zaffke
Sviggum	Valan	Voss	Wenzel	Speaker Sieben
Tomlinson	Valento	Waltman	Wigley	
Tunheim	Vanasek	Welch	Wynia	

The bill was passed and its title agreed to.

S. F. No. 1940 was reported to the House.

Kahn moved to amend S. F. No. 1940, as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1982, section 340.034, is amended by adding a subdivision to read:

Subd. 4. [CLOSING HOURS.] (a) A licensed on-sale premise prohibited by local ordinance from remaining open after 1 a.m. may remain open beyond that hour on any day when sales of nonintoxicating malt liquor are otherwise permitted, provided that a permit is obtained under this subdivision and no nonintoxicating malt liquor is sold after the hour required under subdivision 1.

(b) A municipality may issue a permit to allow an establishment to remain open after hours, as allowed by this subdivision, provided that no permit may be issued to an establishment which has, within the preceding three years, been found to have sold nonintoxicating malt liquor after the hours set forth in subdivision 1. A municipality may revoke a permit issued under this subdivision if nonintoxicating malt liquor is sold after the hours set forth in subdivision 1. The fee for the permit may not exceed \$25 per year.

(c) This subdivision is repealed effective June 30, 1986.

Sec. 2. Minnesota Statutes 1982, section 340.14, is amended by adding a subdivision to read:

Subd. 1b. [CLOSING HOURS.] (a) A licensed on-sale premise prohibited by local ordinance from remaining open after 1 a.m. may remain open beyond that hour on any day when sales of intoxicating liquor are otherwise permitted, provided that a permit is obtained under this subdivision and no intoxicating liquor is sold after the hour required under subdivisions 1 and 5.

(b) A municipality may issue a permit to allow an establishment to remain open after hours, as allowed by this subdivision, provided that no permit may be issued to an establishment which has, within the preceding three years, been found to have sold intoxicating liquor after the hours set forth in subdivisions 1 and 5. A municipality may revoke a permit under this subdivision if

intoxicating liquor is sold after the hours set forth in subdivisions 1 and 5. The fee for the permit may not exceed \$25.

(c) *This subdivision is repealed effective June 30, 1986.*

The motion prevailed and the amendment was adopted.

Kahn moved to amend S. F. No. 1940, as amended, as follows:

Page 1, line 11, delete "*premise*" and insert "*establishment*"

Page 2, line 4, delete "*premise*" and insert "*establishment*"

Page 2, line 6, before "*may*" insert "*, since intoxicating liquor is displayed after the hours when the sale of that liquor is prohibited by law,*"

The motion prevailed and the amendment was adopted.

Anderson, B., moved to amend S. F. No. 1940, as amended, as follows:

Page 2, after line 1 insert:

"Sec. 2. Minnesota Statutes 1982, section 340.119, is amended by adding a subdivision to read:

Subd. 11. (1) The holder of a permit issued under this section may not knowingly permit a person under the age of 19 years to:

(a) *consume or possess intoxicating liquor or non-intoxicating malt liquor on the premises to which the permit is issued; or*

(b) *remain on the premises to which the permit was issued while that person is obviously intoxicated.*

(2) *A person under the age of 19 years may not:*

(a) *enter a premises to which a permit has been issued under this section for the purpose of consuming intoxicating liquor or non-intoxicating malt liquor; or*

(b) *consume or possess intoxicating liquor or non-intoxicating malt liquor on premises to which a permit has been issued under this section.*

(3) *Violation of this subdivision is a misdemeanor."*

Renumber the remaining section accordingly

Further amend the title as follows:

Page 1, line 4, after the semicolon insert "restricting certain actions by person under age 19 on premises holding consumption and display permits, and placing certain restrictions on holders of such permits;"

Page 1, line 6, after the semicolon insert "340.119, by adding a subdivision;"

The motion prevailed and the amendment was adopted.

Kahn moved to amend S. F. No. 1940, as amended, as follows:

Page 1, line 16, after "sold" insert "or consumed"

Page 2, line 9, after "sold" insert "or consumed"

Schreiber moved to re-refer S. F. No. 1940, as amended, to the Committee on Judiciary. The motion prevailed.

The following conference committee reports were received:

CONFERENCE COMMITTEE REPORT ON 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, sections 94.343, subdivision 1; and 94.349, subdivision 3.

April 24, 1984

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

The Honorable Jerome M. Hughes
President of the Senate

We, the undersigned conferees for H. F. No. 1559, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment and that H. F. No. 1559 be further amended as follows:

Page 1, line 17, delete "held"

Page 1, line 26, delete "any"

Page 2, delete lines 1 and 2 and insert "*the exchange of state-owned lands for other lands owned by the state or local governments?*"

We request adoption of this report and repassage of the bill.

House Conferees: BOB MCEACHERN, LYNDON R. CARLSON and DAVID JENNINGS

Senate Conferees: GERALD L. WILLET, DON A. ANDERSON and WILLIAM P. LUTHER.

McEachern moved that the report of the Conference Committee on H. F. No. 1559 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

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, sections 94.343, subdivision 1; and 94.349, subdivision 3.

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

The question was taken on the repassage of the bill and the roll was called. There were 127 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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	Staten
Begich	Forsythe	Long	Quinn	Sviggum
Bennett	Frerichs	Ludeman	Quist	Thiede
Bergstrom	Graba	Mann	Redalen	Tomlinson
Bishop	Greenfield	Marsh	Reif	Tunheim
Blatz	Gruenes	McDonald	Rice	Uphus
Boo	Gutknecht	McEachern	Riveness	Valan
Brandl	Halberg	Metzen	Rodosovich	Valento
Brinkman	Haukoos	Minne	Rodriguez, C.	Vanasek
Burger	Heap	Munger	Rodriguez, F.	Vellenga
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	Jennings	Norton	Scheid	Wenzel
Cohen	Jensen	O'Connor	Schoenfeld	Wigley
Coleman	Johnson	Ogren	Schreiber	Wynia
Dempsey	Kahn	Olsen	Seaberg	Zaffke
DenOuden	Kalis	Omamn	Segal	Speaker Sieben
Dimler	Kelly	Onnen	Shaver	
Eken	Knickerbocker	Osthoff	Shea	
Elioff	Knuth	Otis	Sherman	

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

CONFERENCE COMMITTEE REPORT ON 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.

April 24, 1984

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

The Honorable Jerome M. Hughes
President of the Senate

We, the undersigned conferees for H. F. No. 1743, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment and that H. F. No. 1743 be further amended as follows:

Page 2, line 13, before the semicolon insert "*or when the auctioneer has engaged a licensed attorney to supervise the real estate transaction*"

Amend the title as follows:

Page 1, line 2, delete "removing" and insert "modifying"

We request adoption of this report and repassage of the bill.

House Conferees: WALLY SPARBY, JAMES METZEN and O. J. HEINITZ.

Senate Conferees: RANDOLPH W. PETERSON, HOWARD A. KNUTSON and LEROY A. STUMPF.

Metzen moved that the report of the Conference Committee on H. F. No. 1743 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

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 third time, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 102 yeas and 20 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Elioff	Kvam	Otis	Shea
Anderson, R.	Ellingson	Larsen	Peterson	Sherman
Battaglia	Erickson	Levi	Piepho	Simoneau
Beard	Evans	Long	Piper	Soiberg
Begich	Forsythe	Mann	Price	Sparby
Bennett	Greenfield	Marsh	Quinn	Staten
Bergstrom	Gruenes	McEachern	Reif	Tomlinson
Bishop	Haukoos	McKasy	Rice	Tunheim
Blatz	Heap	Metzen	Riveness	Uphus
Brandl	Hoffman	Minne	Rodosovich	Valento
Brinkman	Hokr	Munger	Rodriguez, C.	Vanasek
Burger	Jacobs	Murphy	Rodriguez, F.	Vellenga
Carlson, D.	Jensen	Nelson, D.	Rose	Waltman
Carlson, L.	Johnson	Nelson, K.	St. Onge	Welch
Clark, J.	Kahn	Neuenschwander	Sarna	Welle
Clark, K.	Kalis	Norton	Schafer	Wenzel
Clawson	Kelly	O'Connor	Scheid	Wynia
Cohen	Knickerbocker	Ogren	Schreiber	Speaker Sieben
Coleman	Knuth	Olsen	Seaberg	
Dempsey	Kostohryz	Omann	Segal	
Eken	Krueger	Osthoff	Shaver	

Those who voted in the negative were:

Anderson, G.	Fjoslien	McDonald	Redalen	Thiede
DenOuden	Frerichs	Onnen	Schoenfeld	Valan
Dimler	Gutknecht	Pauly	Skoglund	Welker
Findlay	Ludeman	Quist	Sviggum	Zaffke

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

FIRST READING OF SENATE BILLS

S. F. No. 1906, temporarily laid over earlier today, was again reported to the House.

SUSPENSION OF RULES

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, Ellingson moved that the rule therein be suspended and an urgency be declared so that S. F. No. 1906 be given its second and third readings and be placed upon its final passage. The motion did not prevail.

The following conference committee reports were received:

CONFERENCE COMMITTEE REPORT ON 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 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 15 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; 400.162; 473.181, subdivision 4; 473.801, subdivisions 1 and 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 473; 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.

April 19, 1984

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

The Honorable Jerome M. Hughes
President of the Senate

We, the undersigned conferees for H. F. No. 1577, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment and that H. F. No. 1577 be further amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1982, section 115A.03, subdivision 15, is amended to read:

Subd. 15. “Intrinsic suitability” of a land area or site means that, based on existing data on the inherent and natural at-

tributes, physical features, and location of the land area or site, there is no known reason why the waste facility proposed to be located in the area or site cannot reasonably be expected to qualify for permits in accordance with agency rules. Agency certification of intrinsic suitability shall be based on data submitted to the agency by the proposing entity and data included by the hearing examiner in the record of any public hearing on recommended certification, and applied against criteria in agency rules and any additional criteria developed by the agency in effect at the time the proposing entity submits the site for certification.

In the event that all candidate sites selected by the board before the effective date of this section are eliminated from further consideration and a new search for candidate sites is commenced, "intrinsic suitability" of a land area or site shall mean that, because of the inherent and natural attributes, physical features, and location of the land area or site, the waste facility proposed to be located in the area or site would not be likely to result in material harm to the public health and safety and natural resources and that therefore the proposed facility can reasonably be expected to qualify for permits in accordance with agency rules.

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. [115A.075] [LEGISLATIVE POLICY AGAINST DISPOSAL OF HAZARDOUS WASTE.]

The legislature finds that hazardous waste must be managed in a manner that protects the health, safety, and welfare of the citizens of the state and protects and conserves the state's natural resources and environment; that reduction of the amount of waste generated and processing, treatment, separation, and resource recovery are the preferred methods to manage hazardous waste; and that disposal of hazardous waste should be used only as a last resort when all other management methods are ineffective, and then only if an environmentally suitable site can be identified in the state.

The board, in its planning, facility approval, and other activities related to hazardous waste shall give first priority to eliminating the generation of hazardous waste and eliminating or reducing the hazardous character of the waste generated in the state through processing, treatment, separation, and resource recovery.

Sec. 5. 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 6.*

Sec. 6. 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. 7. 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. 8. 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 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. 9. [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. 10. [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 9. Grant money awarded under this section may not be spent for capital improvements or equipment.

Sec. 11. [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. 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 AWARDING 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. 12. [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 collection facilities and services 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 the state 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. 13. [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 12, 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 11. Notwithstanding the provisions of section 11, 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. 14. [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 51. 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. 15. [115A.165] [EVALUATION OF PROGRAMS; REPORT.]

By November 1, 1986, the board shall evaluate the extent to which the programs provided in sections 9 to 14 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. 16. [115A.17] [HAZARDOUS WASTE, FACILITY DEVELOPMENT.]

Notwithstanding any other law to the contrary on the effective date of this section, the waste management board shall sus-

pend all activity under sections 115A.18 to 115A.30 relating to the selection and evaluation of locations for hazardous waste disposal, except that the reductions in number of sites permitted by section 115A.21, subdivision 1, may be effected, until the report on the status of processing facilities required in this section has been presented to the legislature and the legislature has acted affirmatively to reinstate the disposal evaluation and siting process. After June 1, 1985 and before December 1, 1985 the waste management board shall prepare a status report on hazardous waste processing facilities indicating the amount and type of hazardous waste treatment residual and untreated material that is expected to require disposal.

Sec. 17. 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. 18. 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. 19. 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. 20. 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. 21. 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. 22. 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 costs 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. 23. 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. 24. 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. 25. 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. 26. 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. 27. 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. 28. 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. 29. 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, *the board shall make the decisions as required by this subdivision. If the board decides that a disposal facility should not be developed in the state, it shall dismiss the candidate sites from further consideration. If the board determines and certifies that a disposal facility is needed and should be developed in the state, 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. 30. 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. 31. [115A.301] [INDEMNIFICATION FOR CERTAIN DAMAGES ARISING FROM DISPOSAL FACILITY.]

Subdivision 1. [INDEMNIFICATION BY OPERATOR; EXCEPTIONS.] (a) As a condition of obtaining an agency permit and except as provided in paragraph (b), the operator of a hazardous waste disposal facility established under sections 115A.18 to 115A.30, upon the acceptance of any hazardous waste for disposal, shall agree to indemnify any other person for any liability the person may have under chapter 115B as a result of a release or threatened release of hazardous waste from the disposal facility to the extent of the financial responsibility requirement established in subdivision 2.

(b) The operator is not required to indemnify any person for liability to the extent that:

(1) the liability is the result of a violation by that person of state or federal law that governs the handling, transportation, or disposal of hazardous substances;

(2) the liability is the result of a negligent act or omission of that person with respect to the handling, transportation, or disposal of hazardous substances; or

(3) the liability is one for which a claim has been or may be paid by the Federal Post-Closure Liability Fund under United States Code, title 42, section 9607(k).

The operator is not required to indemnify any person for any claim filed more than 30 years after closure of the disposal facility in accordance with agency rules.

(c) The operator may intervene as of right in any action that may result in a claim for indemnification under this subdivision.

Subd. 2. [FINANCIAL RESPONSIBILITY.] (a) As a condition of obtaining a permit to operate a hazardous waste disposal facility established under sections 115A.18 to 115A.30, the operator shall demonstrate financial responsibility to pay claims of liability for personal injury, economic loss, response costs, and natural resources damage that the operator may incur as a result of a release or threatened release of a hazardous waste from the facility, including liability for which the operator is required to indemnify other persons under subdivision 1. The amount of the operator's financial responsibility must be at least \$40,000,000.

(b) The agency may require a higher level of financial responsibility as a condition of a permit for a disposal facility depending upon the size of the facility, the location of the facility, the types of waste that will be accepted at the facility, and

other factors affecting the risk of a release and potential liability. The operator may demonstrate financial responsibility by any mechanism approved by the agency's hazardous waste rules. The operator shall maintain financial responsibility as provided in this subdivision during operation of the facility and until 30 years after facility closure in accordance with agency rules, provided that the operator shall maintain financial responsibility after 30 years in the amount and for the time necessary to satisfy any outstanding claims filed within 30 years after facility closure.

Subd. 3. [LIABILITY TRUST FUND.] (a) A state facility liability trust fund is established as an account in the state treasury. Money in the fund shall be held in trust by the state to pay claims of liability resulting from the release or threatened release of hazardous waste from a disposal facility established under sections 115A.18 to 115A.30, and to purchase insurance to pay the claims. Subject to the limitations provided in paragraph (b), the fund and insurance purchased by the fund shall pay claims to the extent that the claims are not satisfied by the operator of the facility under subdivision 1, by the Federal Post-Closure Liability Fund under United States Code, title 42, section 9607(k), or by any person, including the operator, who is liable for the claim as a result of violation of a state or federal law or a negligent act or omission.

(b) The state is not obligated to pay any claims in excess of the amount of money in the fund and the limits of any insurance purchased by the fund.

(c) Interest earned by the money in the fund must be credited to the fund.

Subd. 4. [DETERMINATION OF AMOUNTS IN FUND.] The board shall determine the amount of money that will be needed in the state facility liability trust fund to maintain insurance coverage for each facility of at least \$10,000,000 during the operating life of the facility and to accumulate a balance of at least \$10,000,000 within 20 years after the facility begins operation. The board may require insurance coverage and accumulation of a fund balance in amounts greater than those provided in this subdivision based upon the factors that the agency must consider in establishing the level of financial responsibility under subdivision 2 and the amount of claims for which the fund is likely to be liable under subdivision 3. Based on the amounts required to purchase insurance and accumulate the fund balance, the board shall establish a surcharge amount to be collected under subdivision 5. The board may adjust the amount of the surcharge based on the actual quantities of waste received at the facility. Determinations by the board under this subdivision are subject to the rulemaking provisions of chapter 14.

Subd. 5. [DISPOSAL SURCHARGE.] A surcharge must be paid for every ton or part of a ton of hazardous waste accepted for disposal at a facility. The operator shall collect and hold the surcharge in a separate account. By the first day of each month, the operator shall pay any money in this account to the commissioner of finance for credit to the state facility liability trust fund.

Subd. 6. [ADMINISTRATION.] (a) The commissioner of finance shall administer the state facility liability trust fund. Money in the fund is appropriated to the commissioner of finance for expenditure as provided in subdivision 3. The commissioner shall establish separate accounts in the fund for purchase of insurance and for accumulation of a fund balance as required by the board under subdivision 4. After closure of the facility in accordance with agency rules, the commissioner shall consolidate the two accounts and may use any interest income from the fund to purchase insurance to pay claims for which the fund may be liable.

(b) The commissioner, in consultation with the attorney general, may settle any claims that the fund may be required to pay. If two or more claims are made against the fund, the amount of which would exceed the amount in the fund, the commissioner shall pay any valid claims on a pro rata basis. The commissioner, on behalf of the fund, may intervene as of right in an action that may result in a claim against the fund.

Subd. 7. [RIGHTS PRESERVED.] Nothing in this section affects the right of any person to bring an action under any law to recover costs or damages arising out of the release or threatened release of a hazardous substance from a disposal facility established under sections 115A.18 to 115A.30. Any costs or damages recoverable in such an action shall be reduced to the extent that the cost or damages have been paid under subdivisions 1 to 3.

Sec. 32. 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. 33. 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. 34. 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 35 to 44.

Sec. 35. [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 35 to 44 to authorize a qualifying solid waste management district or county to designate a resource recovery facility.

Sec. 36. [115A.81] [DEFINITIONS.]

Subdivision 1. [SCOPE.] The terms used in sections 35 to 44 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. 37. [115A.82] [ELIGIBILITY.]

Facilities may be designated under sections 35 to 44 by (1) a solid waste management district established pursuant to sec-

tions 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. 38. [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; or (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. 39. [115A.84] [DESIGNATION PLAN.]

Subdivision 1. [REQUIREMENT.] Before commencing the designation procedure under section 40, the district or county shall adopt a comprehensive solid waste management plan or, under chapter 478, 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 shall 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 41 if in its judgment the excluded materials will not be processed at the other facility.

Sec. 40. [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 41.

Sec. 41. [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 designa-

tion under section 38 or 39, 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 reviewing authority shall approve the designation if it determines that the designation procedure specified in section 40 was followed and that the designation is based on a plan approved under section 39. 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 two years of approval, the designation must be resubmitted to the reviewing authority for approval or disapproval under subdivision 2, unless bonds have been issued to finance the resource recovery facility to which the designation applies.

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. 42. [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. 43. [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. 44. [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. 45. [115A.917] [CERTIFICATE OF NEED.]

No new capacity for disposal of mixed municipal solid waste may be permitted in counties outside the metropolitan area without a certificate of need issued by the agency indicating the agency's determination that the additional disposal capacity is needed in the county. A certificate of need may not be issued until the county has a plan approved under section 115A.46. If the original plan was approved more than five years before, the agency may require the plan to be revised before a certificate of need is issued under this section. The agency shall certify need only to the extent that there are no feasible and prudent alternatives to the additional disposal capacity, including waste reduction, source separation, and resource recovery, that would minimize adverse impact upon natural resources. Alternatives that are speculative or conjectural are not feasible and prudent. Economic considerations alone do not justify the certification of need or the rejection of alternatives.

Sec. 46. [115A.919] [COUNTY FEE AUTHORITY.]

A county may impose a fee on operators of facilities for mixed municipal solid waste located within the county. The fee in the metropolitan area may not exceed 25 cents per cubic yard. The revenue from the fees shall be credited to the county general fund and shall be used only for landfill abatement purposes, or costs of closure, postclosure care, and response actions or for purposes of mitigating and compensating for the local risks, costs, and other adverse effects of facilities.

Waste residue from energy and resource recovery facilities at which solid waste is processed for the purpose of extracting, reducing, converting to energy, or otherwise separating and preparing solid waste for reuse shall be exempt from one-half the amount of the fee imposed by a county under this section if there is at least an 85 percent volume reduction in the solid waste processed. Before any fee is reduced, the verification procedures of section 73, subdivision 1, paragraph (c), must be followed and submitted to the appropriate county.

Sec. 47. [115A.921] [CITY OR TOWN FEE AUTHORITY.]

A city or town may charge a fee, not to exceed 15 cents per cubic yard, or its equivalent, of solid waste accepted and disposed of on land, to operators of facilities for mixed municipal solid waste located within the city or town. The revenue from the fees shall go to the city or town general fund for purposes of mitigating and compensating for the local risks, costs, and other adverse effects of facilities. Waste residue from energy and resource recovery facilities at which solid waste is processed for the purpose of extracting, reducing, converting to energy, or otherwise separating and preparing solid waste for reuse shall be exempt from one-half the amount of the fee imposed by a city or town under this section if there is at least an 85 percent volume reduction in the solid waste processed. Before any fee is reduced, the verification procedures of section 73, subdivision 1, paragraph (c), must be followed and submitted to the appropriate city or town.

Sec. 48. 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. 49. Minnesota Statutes 1982, section 116.07, is amended by adding subdivisions to read:

Subd. 4f. [CLOSURE AND POSTCLOSURE RESPONSIBILITY AND LIABILITY.] *An operator or owner of a facility is responsible for closure of the facility and postclosure care relating to the facility. If an owner or operator has failed to provide the required closure or postclosure care of the facility the agency may take the actions. The owner or operator is liable for the costs of the required closure and postclosure care taken by the agency.*

Subd. 4g. [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 apply to all solid waste dis-*

posal facilities in operation at the time the rules are effective. The rules must 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. 4h. [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 is 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 is 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 is a condition of obtaining or retaining a permit to operate the facility.

Subd. 4i. [CIVIL PENALTIES.] The civil penalties of section 115.071 apply to any person in violation of the rules adopted under subdivision 4g or 4h.

Sec. 50. 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. 51. 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 14. 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. 52. Minnesota Statutes 1982, section 290.06, is amended by adding a subdivision to read:

Subd. 15. [RESOURCE RECOVERY EQUIPMENT.] (a) A credit of ten percent of the net cost of equipment used for processing solid or hazardous waste at a resource recovery facility, as defined in section 115A.03, subdivision 28, may be deducted from the tax due under this chapter in the taxable year in which the property is purchased.

(b) If the amount of the credit provided by this subdivision exceeds the taxpayer's liability under this chapter for the taxable year, the excess may be carried forward to the four taxable years following the year of purchase.

Sec. 53. 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), clause (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 paragraph (a) for any taxable year for which a depreciation deduction is allowed exceeds the limitation provided by paragraph (a) for the taxable year, referred to in this subdivision as the "unused credit year," the excess is a credit carryover to each of the four taxable years following the unused credit year.

(c) 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 paragraph (a) and the carryforward allowable under paragraph (b) and this paragraph shall in no event exceed \$75,000.

Sec. 54. 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 connection with the operation of a livestock feedlot, poultry lot, or other animal lot, may be deducted from the tax due under

this chapter in the taxable year in which 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. 55. 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 tele-

phone 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 all materials, including chemicals, fuels, petroleum products; lubricants, packaging materials, including returnable containers used in packaging food and beverage products, feeds, seeds, fertilizers, electricity, gas and steam, used or consumed in agricultural or industrial production of personal property intended to be sold ultimately at retail, whether or not the item so used becomes an ingredient or constituent part of the property produced. Such production shall include, but is not limited to, research, development, design or production of any tangible personal property, manufacturing, processing (other than by restaurants and consumers) of agricultural products whether vegetable or animal, commercial fishing, refining, smelting, reducing, brewing, distilling, printing, mining, quarrying, lumbering, generating electricity and the production of road building materials. Such production shall not include painting, cleaning, repairing or similar processing of property except as part of the original manufacturing process. Machinery, equipment, implements, tools, accessories, appliances, contrivances, furniture and fixtures, used in such production and fuel, electricity, gas or steam used for space heating or lighting, are not included within this exemption; however, accessory tools, equipment and other short lived items, which are separate detachable units used in producing a direct effect upon the product, where such items have an ordinary useful life of less than 12 months, are included within the exemption provided herein;

(i) The gross receipts from the sale of and storage, use or other consumption in Minnesota of tangible personal property (except as provided in section 297A.14) which is used or consumed in producing any publication regularly issued at average intervals not exceeding three months, and any such publication. For purposes of this subsection, "publication" as used herein

shall include, without limiting the foregoing, a legal newspaper as defined by Minnesota Statutes 1965, section 331.02, and any supplements or enclosures with or part of said newspaper; and the gross receipts of any advertising contained therein or therewith shall be exempt. For this purpose, advertising in any such publication shall be deemed to be a service and not tangible personal property, and persons or their agents who publish or sell such newspapers shall be deemed to be engaging in a service with respect to gross receipts realized from such newsgathering or publishing activities by them, including the sale of advertising. 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 taconite, the material of which primarily is added to and becomes a part of the material being processed.

(p) The gross receipts from the sale of tangible personal property to, and the storage, use or other consumption of such property by, any corporation, society, association, foundation, or institution organized and operated exclusively for charitable, religious or educational purposes if the property purchased is to be used in the performance of charitable, religious or educational functions, or any senior citizen group or association of groups that in general limits membership to persons age 55 or older and is organized and operated exclusively for pleasure, recreation and other nonprofit purposes, no part of the net earnings of which inures to the benefit of any private shareholders. 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, 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 equipment used for processing solid or hazardous waste at a resource recovery facility, as defined in section 115A.03, subdivision 28.*

Sec. 56. Minnesota Statutes 1982, section 400.04, subdivision 3, is amended to read:

Subd. 3. [ACQUISITION, CONSTRUCTION AND OPERATION OF PROPERTY AND FACILITIES.] A county may acquire, construct, enlarge, improve, repair, supervise, control, maintain, and operate any and all solid waste facilities and other

property and facilities needed, used, or useful for solid waste management purposes (, AND). *Notwithstanding any other law to the contrary, a county may purchase and lease materials, equipment, machinery and such other personal property as is necessary for such purposes upon terms and conditions determined by the board, with or without advertisement for bids including the use of conditional sales contracts and lease-purchase agreements. If a county contract is let by negotiation, without advertising for bids, the county shall conduct such negotiation and award the contract using a fair and open procedure and in full compliance with section 471.705. If a county contract is to be awarded by bid, the county may, after notice to the public and prospective bidders, conduct a fair and open process of prequalification of bidders prior to advertisement for bids. A county may employ such personnel as are reasonably necessary for the care, maintenance and operation of such property and facilities. A county shall contract with private persons for the construction, maintenance, and operation of solid waste facilities where the facilities are adequate and available for use and competitive with other means of providing the same service.*

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 35 to 44.*

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 re-assigns 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 35 to 44.*

Sec. 61. Minnesota Statutes 1982, section 473.801, subdivision 1, is amended to read:

Subdivision 1. For the purposes of sections 473.801 to (473.-823 AND SECTIONS 473.827, 473.831, AND 473.833) *473.845* the terms defined in this section have the meanings given them.

Sec. 62. Minnesota Statutes 1982, section 473.801, subdivision 4, is amended to read:

Subd. 4. Unless otherwise provided the definitions of terms (DEFINED) in section 115A.03 shall apply to sections 473.801 to (473.823) *473.845*.

Sec. 63. 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. 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 EX-

PRESSED 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 35 to 44.*

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 or capacity shall be permitted in the metropolitan area without a certificate of need issued by the council indicating the council's determination that the additional disposal capacity planned for the facility is needed in the metropolitan area. The council shall amend its policy plan, adopted pursuant to section 473.149, to include standards and procedures for certifying need. The standards and procedures shall be based on the council's disposal abatement plan adopted pursuant to section 473.149, subdivision 2d, the council's solid waste disposal facilities development schedule adopted under section 473.149, subdivision 2e, and the (ABATEMENT) master plans of counties adopted pursuant to section 473.803, subdivision 1b and approved by the council under section 473.803, subdivision 2. The council shall certify need only to the extent that there are no feasible and prudent alternatives to the disposal facility, including waste reduction, source separation and resource recovery which would minimize adverse impact upon natural resources. Alternatives that are speculative or conjectural shall not be deemed to be feasible and prudent. Economic considerations alone shall not justify the certification of need or the rejection of alternatives. In its certification the council shall not consider alternatives which 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 1983 Supplement, section 473.831, is amended to read:

473.831 [DEBT OBLIGATIONS; SOLID WASTE DISPOSAL.]

Subdivision 1. [GENERAL OBLIGATION BONDS.] The council may by resolution authorize the issuance of general obligation bonds of the council to provide funds for the environmental analysis and acquisition of permanent or temporary right, title, or interest in real property, including easements and development rights, for sites and surrounding buffer areas for solid waste disposal facilities pursuant to this section and (SECTION) sections 473.833 and 473.840 and to provide funds for refunding obligations issued under this section. The bonds shall be sold, issued, and secured in the manner provided in chapter 475 for general obligation bonds, and the council shall have the same power and duties as a municipality and its governing body in issuing bonds under chapter 475, except as otherwise provided in this chapter. No election shall be required, and the net debt limitations in chapter 475 shall not apply. The council shall have the power to levy ad valorem taxes for debt service of the council's solid waste bonds upon all taxable property within the metropolitan area, without limitation of rate or amount and without affecting the amount or rate of taxes which may be levied by the council for other purposes or by any local government unit in the area. Each of the county auditors shall annually assess and extend upon the tax rolls in his county the portion of the taxes levied by the council in each year which is certified to him by the council. The principal amount of bonds issued pursuant to this section shall not exceed \$15,000,000.

Subd. 2. [USE OF PROCEEDS.] The proceeds of bonds issued under subdivision 1 shall be used by the council, for the purposes provided in subdivision 1 and to make grants to metropolitan counties to pay the cost of the environmental review of sites, the acquisition of development rights for all or part of the period that the development limitation imposed by section 473.806 is in effect, and the acquisition of all property or interests in property for solid waste disposal sites and surrounding buffer areas required to be acquired by the county, pursuant to (SECTION) sections 473.833 and 473.840, by the council's policy plan and development schedule adopted pursuant to section 473.149, subdivision 2e. If the council is required by law or regulation to prepare environmental analyses on one or more solid waste disposal sites and surrounding buffer areas, the council may use the proceeds of the bonds issued under subdivision 1 to contract for consultant services in the preparation of such analyses only upon a finding that equivalent expertise is not available among its own staff.

Sec. 69. 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. 70. [473.840] [PURCHASE OF CERTAIN PROPERTY.]

Subdivision 1. [PUBLIC PURPOSE.] In order for the responsible public agency to select and acquire environmentally suitable sites and buffer areas for the safe disposal of waste, the legislature finds that it is necessary and proper for the responsible agency to evaluate more than one site for disposal facilities and that it is appropriate to purchase property, within the sites and buffer areas selected for evaluation, to avoid or mitigate any undue hardship that may be imposed on property owners as a result of the selection of sites for evaluation.

Subd. 2. [DEFINITIONS.] (a) "Qualifying property" is a parcel of real property any part of which is located within the site or buffer area of a candidate site selected under section 473.153, subdivision 2, for purposes of environmental review under subdivision 5 of that section, or a site included in the metropolitan inventory adopted under section 473.149, subdivision 2b, for the purposes of environmental review under section 473.833, subdivision 2a.

(b) An "eligible owner" is a person who: (1) owns the entire parcel of qualifying property; (2) owned the entire parcel of property at the time the site was selected as a candidate site or included in the metropolitan inventory; (3) since the site was selected or included in the inventory, has for at least six months offered to sell the entire parcel on the open market through a licensed real estate agent; and (4) has not previously entered a contract under subdivision 4 for the sale of any or all of the parcel.

Subd. 3. [CONTRACT REQUEST.] *An eligible owner of property qualifying under section 473.153 may request in writing that the waste control commission and the metropolitan council enter a contract for the purchase of the property as provided in subdivision 4. An eligible owner of property qualifying under sections 473.149 and 473.833 may request in writing that the county in which the property is located and the metropolitan council enter a contract for the purchase of property as provided in subdivision 4. A contract may not be executed under subdivision 4 after the determination of adequacy of the environmental impact statement. Environmental review commences on the day of publication of the environmental impact statement preparation notice.*

Subd. 4. [CONTRACT; TERMS AND REQUIREMENTS.] *The council and the county or commission shall enter a contract as provided in this subdivision with an eligible owner of qualifying property who requests the council and the county or commission to enter the contract as provided in subdivision 3. The council and the county or commission have 90 days to act on a request submitted under subdivision 3. The contract must include at least the following terms:*

(a) *The owner must offer to sell the entire parcel of property on the open market through a licensed real estate agent approved by the council for at least a six month period beginning within one month after the appraised market value of the property is determined as provided in paragraph (b). The offer to sell must be made at no more than the appraised market value.*

(b) *The appraised market value of the property must be determined by an appraiser selected by the council. If the owner disagrees with the appraisal the owner shall select an appraiser to make a second appraisal. If a second appraisal is made, the council and the owner may agree on an appraised market value equal to either the first or second appraisal or any amount between those appraisals. If the council and owner do not agree on an appraised market value the two appraisers shall select a third appraiser, and the appraised market value must be determined by a majority of the three appraisers. Appraisers must be selected from the approved list of real property appraisers of the state commissioner of administration. Appraisers shall take an oath that they have no interest in any of the property to be appraised or in the purchase thereof. Each party shall pay the cost of the appraiser selected by that party and shall share equally in the cost of a third appraiser selected under this paragraph. The appraised market value of the property may not be increased or decreased by reason of its selection as a candidate or inventoried site or buffer area.*

(c) *The county or commission must purchase the entire parcel of property at the appraised market value determined under paragraph (b) if: (1) the council determines, based upon affi-*

davits provided by the owner and the real estate agent and other evidence the council may require, that the owner has made a good faith effort to sell the property as provided in paragraph (a) and has been unable to sell the property at the appraised market value; (2) the council determines that the owner will be subject to undue hardship as a result of failure to sell; (3) the county or commission determines that the owner has marketable title to the property and that the owner has cured any defects in the title within a reasonable time as specified in the contract; and (4) the owner conveys the property by warranty deed in a form acceptable to the county or commission.

(d) The owner may not assign or transfer any rights under the contract to another person.

(e) The contract expires and the obligations of the parties under the contract cease when the property is sold or is either selected or eliminated from consideration by a final decision of the council under section 473.153, subdivision 6, or by a final decision of the county site selection authority or council under section 473.833, subdivision 3.

(f) The council and the commission or county may require other terms of contract that are consistent with the purposes of this section and necessary to protect the interests of the parties.

Subd. 5. [COMPENSATION OF AGENT; LIMITATION.] *A real estate agent may not receive a commission or any other compensation from an owner of property which is subject to a contract under subdivision 4 if the property is purchased by the public agency under that contract. Any term of a contract between a real estate agent and a property owner contrary to the provisions of this subdivision is void and unenforceable.*

Subd. 6. [ADMINISTRATION.] *The council, the county, and the commission are authorized to perform all acts required to enter and enforce contracts to purchase real property as provided in this section, including selecting and compensating appraisers and real estate agents.*

Subd. 7. [DISPOSITION OF PROPERTY.] *(a) Property acquired by the county or commission under this section must be retained in ownership until the selection of sites is completed under section 473.153 or 473.833, whereupon the county or commission shall sell all property located in the area of any site eliminated from further consideration and all property in the area of the selected sites that is not needed for the site or buffer area. The commission or county, with the approval of the council, may temporarily delay sale to protect the interests of the public agencies involved. The sale must be approved by the council, and the proceeds of the sale must be returned to the council and used to pay principal and interest on debt issued for acquisition.*

(b) *The county or commission may lease or rent any property acquired under this section for any use which is consistent with the development limitations until it is sold or is needed for use as a facility site or buffer area. Lease and rental agreements must be approved by the council, and proceeds of any lease or rental must be returned to the council and used to pay principal and interest on debt issued for acquisition. The county or commission may insure against loss to the property by fire, lightning, windstorm, tornado, flood, or hail, in the amount determined by the county or commission, using any insurance company licensed to do business in the state.*

Sec. 71. [473.841] [CITATION.]

Sections 72 to 77 may be cited as the "Metropolitan Landfill Abatement Act."

Sec. 72. [473.842] [DEFINITIONS.]

Subdivision 1. [SCOPE.] As used in sections 72 to 77, the terms defined in this section have the meanings given them.

Subd. 2. [MARKET DEVELOPMENT.] "Market development" means the location and facilitation of economic markets for materials, substances, energy, or other products contained within or derived from waste.

Subd. 3. [MIXED MUNICIPAL SOLID WASTE DISPOSAL FACILITY.] "Mixed municipal solid waste disposal facility" means a waste facility used for the disposal of mixed municipal solid waste.

Subd. 4. [OPERATOR.] "Operator" means:

(1) the permittee of a mixed municipal solid waste disposal facility that has an agency permit; or

(2) the person in control of a mixed municipal solid waste disposal facility that does not have an agency permit.

Subd. 5. [RESPONSE.] "Response" has the meaning given it in section 115B.02, subdivision 18.

Subd. 6. [SOLID WASTE DISPOSAL FACILITY.] "Solid waste disposal facility" means a waste facility which is used for the disposal of solid waste.

Sec. 73. [473.843] [METROPOLITAN SOLID WASTE LANDFILL FEE.]

Subdivision 1. [AMOUNT OF FEE; APPLICATION.] The operator of a mixed municipal solid waste disposal facility in the metropolitan area shall pay a fee on solid waste accepted and disposed at the facility as follows:

(a) A facility that weighs the waste that it accepts must pay a fee of 50 cents per cubic yard based on equivalent cubic yards of waste accepted at the entrance of the facility.

(b) A facility that does not weigh the waste but that measures the volume of the waste that it accepts must pay a fee of 50 cents per cubic yard of waste accepted at the entrance of the facility.

(c) Waste residue from energy and resource recovery facilities at which solid waste is processed for the purpose of extracting, reducing, converting to energy, or otherwise separating and preparing solid waste for reuse is exempt from one-half of the amount of fee imposed by this subdivision if there is at least an 85 percent volume reduction in the solid waste processed. To qualify for exemption under this clause, waste residue must be brought to a disposal facility separately. The commissioner of revenue, with the advice and assistance of the agency, shall prescribe procedures for determining the amount of waste residue qualifying for exemption.

Subd. 2. [DISPOSITION OF PROCEEDS.] The proceeds of the fees imposed under this section, including interest and penalties, must be deposited as follows:

(a) one-half of the proceeds must be deposited in the landfill abatement fund established in section 74; and

(b) one-half of the proceeds must be deposited in the metropolitan landfill contingency action fund established in section 75.

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 of revenue.

Subd. 4. [EXCHANGE OF INFORMATION.] Notwithstanding the provisions of section 116.075, the 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 is 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. The commissioner of revenue shall administer the provisions.

Subd. 6. [RULES.] The commissioner of revenue may adopt rules necessary to implement this section.

Subd. 7. [ADMINISTRATIVE EXPENSES.] Any amount expended by the commissioner of revenue from a general fund appropriation to enforce and administer this section must 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.

Sec. 74. [473.844] [METROPOLITAN LANDFILL ABATEMENT FUND.]

Subdivision 1. [ESTABLISHMENT; PURPOSES.] The metropolitan 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 in the metropolitan area. The fund consists of revenue deposited in the fund under section 73, subdivision 2, 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 fund. Except as otherwise provided in section 81, subdivisions 2 and 3, and section 73, subdivision 7, the money in the fund may be spent, upon appropriation by the legislature, only for the following purposes:

(1) solid waste management planning assistance in the metropolitan area under sections 115A.42 to 115A.46;

(2) grants and loans to any person for resource recovery projects and related public education in the metropolitan area under subdivision 4;

(3) grants and loans to any person for market development for reusable or recyclable waste materials as provided in subdivision 2, clause (a); and

(4) administration and technical assistance by the metropolitan council as provided in subdivision 2, clause (b).

Subd. 2. [ALLOCATION.] (a) Up to ten percent of the money in the fund may be appropriated to the agency for transfer to the metropolitan council for grants under subdivision 1, clause (3).

(b) Up to five percent of the money in the fund may be appropriated to the agency for transfer to the metropolitan council for technical assistance and grant administration.

Subd. 3. [COMMISSION RECOMMENDATION.] *The legislative commission on waste management shall make recommendations to the standing legislative committees on finance and appropriations about appropriations from the fund.*

Subd. 4. [RESOURCE RECOVERY GRANTS AND LOANS.] *The grant and loan program under this subdivision is administered by the metropolitan council. 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 for planning may not exceed 50 percent of the planning costs. Grants and loans for acquisition of land and equipment and for capital improvements may not exceed 50 percent of the cost of the project. Grants and loans may be made for public education on the need for the resource recovery projects. A grant or loan for land, equipment, or capital improvements may not 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. Grants and loans made to cities, counties, or solid waste management districts must be for projects that are in conformance with approved master plans.*

Subd. 5. [LANDFILL ABATEMENT COST RECOVERY.] *By January 31, 1986, and each January 31 afterwards, the director of the agency shall pay each city in the metropolitan area an amount not to exceed 50 cents per household, as defined in section 477A.011, subdivision 3a, for qualifying landfill abatement and resource recovery expenses incurred in the previous calendar year. To qualify under this subdivision, the landfill abatement and resource recovery must be included in the applicable county master plan or approved by the metropolitan council and the city must certify expenses for the landfill abatement and resource recovery. The amounts necessary to make these payments are appropriated from the metropolitan landfill abatement fund to the director of the agency.*

Sec. 75. [473.845] [METROPOLITAN LANDFILL CONTINGENCY ACTION FUND.]

Subdivision 1. [ESTABLISHMENT.] *The metropolitan landfill contingency action fund is created as an account in the state treasury. The fund consists of revenue deposited in the fund under section 73, subdivision 2, clause (b); amounts recovered under subdivision 6; and interest earned on investment of money in the fund.*

Subd. 2. [WATER SUPPLY MONITORING.] *Up to ten percent of the money in the fund may be appropriated to the commissioner of health for water supply monitoring. The commissioner shall monitor the quality of water in public water supply wells in the metropolitan area that may be affected by*

their location in relation to a facility for mixed municipal solid waste. Testing under this subdivision must be for substances not funded under the Federal Safe Drinking Water Act.

Subd. 3. [CLOSURE AND POSTCLOSURE, RESPONSE PAYMENTS.] *Money in the fund may only be appropriated to the agency for expenditure for:*

(1) reasonable and necessary expenses for closure and post-closure care of a mixed municipal solid waste disposal facility in the metropolitan area 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 in the metropolitan area that has been closed for 20 years in compliance with the closure and post closure rules of the agency.

Subd. 4. [COMMISSION RECOMMENDATION.] *The legislative commission on waste management shall make recommendations to the standing legislative committees on finance and appropriations about appropriations from the fund.*

Subd. 5. [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 sections 72 to 77 or by agency rules.*

Subd. 6. [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 sections 72 to 77; 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. 7. [RECOVERY OF EXPENSES.] *When the agency incurs expenses for response actions 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, in-*

cluding money paid under any agreement, stipulation, or settlement must be deposited in the metropolitan landfill contingency action fund.

Subd. 8. [CIVIL PENALTIES.] The civil penalties of section 115.071 apply to any person in violation of this section. All money recovered by the state under any statute or rule related to the regulation of solid waste in the metropolitan area, including civil penalties and money paid under any agreement, stipulation, or settlement, shall be deposited in the fund.

Sec. 76. [473.846] [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 describing the activities for which money from the landfill abatement and contingency action funds has been spent during the previous fiscal year.

Sec. 77. [473.847] [OPERATOR OR OWNER LIABILITY FOR RESPONSE EXPENSES.]

The operator or owner of a mixed municipal solid waste disposal facility in the metropolitan area is not liable under any other law for response costs incurred by the agency at that facility under section 75, 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 costs must not be construed to affect the liability of any other person who may be liable for those costs.

Sec. 78. [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. 79. [INSURANCE FEASIBILITY STUDY.]

The waste management board shall conduct a study of the feasibility and desirability of providing insurance for the costs of response actions and third party damages resulting from facilities for the disposal of mixed municipal solid waste. The waste management board shall submit findings, conclusions, and recommendations in a report to the legislative commission on waste management by December 1, 1984.

Sec. 80. [RESOURCE RECOVERY FACILITIES.]

Subdivision 1. [SERVICE CHARGES.] Ramsey and Washington Counties may exercise the powers of a county under Minnesota Statutes, section 400.08 in addition to the powers which the counties may exercise under other law.

Subd. 2. [USE OF COUNTY FUNDS AND LONG-TERM CONTRACTS.] Any available funds of the county including rates and charges imposed pursuant to subdivision 1 may be used for resource recovery purposes including reduction of the tipping fees at a resource recovery facility. Subject to review and approval by the metropolitan council, pursuant to section 473.813, the county may by a contract with a term of not more than 30 years covenant to apply available funds of the county for any resource recovery purposes.

Subd. 3. [LEASE OR SALE OF PROPERTY TO PRIVATE PERSONS.] Notwithstanding section 473.811, subdivision 8, to accomplish the purposes set out in section 473.803, a county may, without review of the disposition by the pollution control agency or metropolitan council, lease or sell all or part of the resource recovery or related facility, including transmission facilities and property or property rights for a resource recovery or related facility to a private person, on the terms the county deems appropriate, but a lease or sale contract shall provide for the operation and maintenance of the facility in accordance with the rules criteria and standards of the pollution control agency, the waste management board, the metropolitan council, and the county.

Subd. 4. [APPLICATION.] This section applies separately to each of Ramsey and Washington Counties the day after compliance with Minnesota Statutes, section 645.021, subdivision 3, by its governing body.

Sec. 81. [APPROPRIATIONS.]

Subdivision 1. [AMOUNTS.] The following amounts are appropriated from the general fund to the agency for the bi-ennium ending June 30, 1985:

(1) for a grant to the metropolitan council for the organized collection system study in section 78, \$50,000;

(2) for adoption of rules and enforcement pursuant to section 49, \$90,000.

The complement of the agency is increased by two positions.

Subd. 2. [REIMBURSEMENT.] Any amount expended by the agency and 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 landfill abatement fund to the commissioner of finance for transfer to the general fund.

Subd. 3. [FEE ADMINISTRATION.] The sum of \$75,000 is appropriated from the general fund to the commissioner of revenue for the purpose of administering section 73. This appropriation is available until June 30, 1985. This appropriation shall be reimbursed to the general fund under section 73, subdivision 7. The complement of the department of revenue is increased by two positions.

Subd. 4. [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, \$150,000;*
- (2) for waste reduction grants to generators of hazardous waste, \$150,000;*
- (3) for hazardous waste collection grants, \$350,000;*
- (4) for hazardous waste processing grants, \$350,000;*
- (5) 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.

Sec. 82. [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. 83. [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. 84. [APPLICATION.]

Sections 58 to 78 are effective in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott and Washington.

Sec. 85. [EFFECTIVE DATE.]

Sections 1 to 45, 48 to 51, 56 to 72, and 78 to 84 are effective the day following final enactment. Sections 46, 47, and 73 to 77 are effective January 1, 1985, except that the fees imposed in sections 46, 47, and 73 shall be effective January 1, 1988, with respect to nonhazardous solid waste from metalcasting facilities. Prior to January 1, 1988, an operator of a facility that is located in the metropolitan area for the disposal of mixed municipal solid waste shall deduct from the disposal charge for nonhazardous solid waste from metalcasting facilities the fee imposed under sections 46, 47, and 73.

Section 52 is effective for taxable years after December 31, 1983. Section 55 is effective for sales after June 30, 1984. Sections 53 and 54 are effective for taxable years after December 31, 1984."

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 15 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.46, subdivisions 1 and 2; 115A.70, by adding a subdivision; 116.07, by adding subdivisions; 116J.88, by adding a subdivision; 290.06, by adding subdivisions; 400.04, subdivision 3; 400.162; 473.181, subdivision 4; 473.801, subdivisions 1 and 4; 473.803, subdivision 3, and by adding a subdivision; 473.811, subdivision 10; and 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; 297A.25, subdivision 1; 473.149, subdivisions 2d and 2e; 473.803, subdivision 1b; 473.823, subdivision 6; and 473.831:

proposing new law coded in Minnesota Statutes, chapters 115A and 473; 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."

We request adoption of this report and repassage of the bill.

House Conferees: ROBERT E. VANASEK, DARBY NELSON, JOHN ROSE and WILLARD MUNGER.

Senate Conferees: GENE MERRIAM, CHARLES A. BERG, DARRIL WEGSCHEID, RANDOLPH W. PETERSON and RONALD R. DICKLICH.

EXCUSED FROM VOTING

Pursuant to rule 2.5, Knuth requested that he be excused from voting on the Conference Committee report on H. F. No. 1577 and all motions relating to the Conference Committee report on H. F. No. 1577. The request was granted.

Carlson, D., moved that the House refuse to adopt the Conference Committee report on H. F. No. 1577, and that the bill be returned to the Conference Committee.

A roll call was requested and properly seconded.

The Speaker called Wynia to the Chair.

The question was taken on the Carlson, D., motion and the roll was called. There were 49 yeas and 78 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Evans	Johnson	Omamm	Skoglund
Bennett	Findlay	Kahn	Osthoff	Staten
Boo	Fjoslien	Kelly	Otis	Sviggum
Brandl	Forsythe	Knickerbocker	Redalen	Tomlinson
Carlson, D.	Frerichs	Kostohryz	Rice	Uphus
Clark, J.	Greenfield	Levi	Rodriguez, C.	Valan
Clark, K.	Gruenes	Long	Rodriguez, F.	Valento
Cohen	Heap	Marsh	Scheid	Vellenga
Coleman	Himle	Norton	Schreiber	Wynia
Erickson	Hokr	Olsen	Segal	

Those who voted in the negative were:

Anderson, B.	Brinkman	Elioff	Jensen	McEachern
Anderson, G.	Burger	Ellingson	Kalis	McKasy
Battaglia	Carlson, L.	Gutknecht	Krueger	Metzen
Beard	Clawson	Halberg	Kvam	Minne
Begich	Dempsey	Haukoos	Larsen	Munger
Bergstrom	DenOuden	Hoffman	Ludeman	Murphy
Bishop	Dimler	Jacobs	Mann	Nelson, D.
Blatz	Eken	Jennings	McDonald	Nelson, K.

Neuenschwander	Price	Sarna	Solberg	Welker
O'Connor	Quinn	Schafer	Sparby	Welle
Ogren	Quist	Schoenfeld	Thiede	Wenzel
Onnen	Reif	Seaberg	Tunheim	Wigley
Pauly	Riveness	Shaver	Vanasek	Zaffke
Peterson	Rodosovich	Shea	Voss	Speaker Sieben
Piepho	Rose	Sherman	Waltman	
Piper	St. Onge	Simoneau	Welch	

The motion did not prevail.

Vanasek moved that the report of the Conference Committee on H. F. No. 1577 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

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 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 15 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; 400.162; 473.181, subdivision 4; 473.801, subdivisions 1 and 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 473: 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 third time, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 92 yeas and 34 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Ellingson	Mann	Price	Solberg
Anderson, G.	Findlay	McDonald	Quinn	Sparby
Battaglia	Forsythe	McEachern	Quist	Tunheim
Beard	Frerichs	McKasy	Reif	Uphus
Begich	Graba	Metzen	Riveness	Valan
Bennett	Gruenes	Minne	Rodosovich	Valento
Bergstrom	Gutknecht	Munger	Rodriguez, C.	Vanasek
Bishop	Halberg	Murphy	Rodriguez, F.	Voss
Blatz	Heap	Nelson, D.	Rose	Waltman
Boo	Himle	Nelson, K.	St. Onge	Welch
Brinkman	Hoffman	Neuenschwander	Sarna	Welker
Burger	Jacobs	O'Connor	Schafer	Welle
Carlson, L.	Jensen	Ogren	Schoenfeld	Wenzel
Clawson	Johnson	Onnen	Seaberg	Wigley
Dempsey	Kalis	Otis	Segal	Zaffke
DenOuden	Krueger	Pauly	Shaver	Speaker Sieben
Dimler	Kvam	Peterson	Shea	
Eken	Larsen	Piepho	Sherman	
Elioff	Ludeman	Piper	Simoneau	

Those who voted in the negative were:

Anderson, R.	Evans	Kelly	Omann	Staten
Brandl	Fjoslien	Knickerbocker	Osthoff	Sviggum
Carlson, D.	Greenfield	Kostohryz	Redalen	Thiede
Clark, J.	Haukoos	Levi	Rice	Tomlinson
Clark, K.	Hokr	Long	Scheid	Vellenga
Cohen	Jennings	Marsh	Schreiber	Wynia
Erickson	Kahn	Norton	Skoglund	

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

The Conference Committee report on H. F. No. 449 was reported to the House.

Shaver moved that the House refuse to adopt the Conference Committee report on H. F. No. 449, and that the bill be returned to the Conference Committee.

A roll call was requested and properly seconded.

The question was taken on the Shaver motion and the roll was called. There were 75 yeas and 53 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Boo	DenOuden	Fjoslien	Halberg
Anderson, R.	Brinkman	Dimler	Forsythe	Haukoos
Beard	Burger	Elioff	Frerichs	Heap
Bennett	Carlson, D.	Erickson	Graba	Himle
Bishop	Clark, J.	Evans	Gruenes	Hoffman
Blatz	Dempsey	Findlay	Gutknecht	Hokr

Jennings	McDonald	Quinn	Shaver	Uphus
Johnson	McKasy	Quist	Shea	Valan
Knickerbocker	Minne	Redalen	Sherman	Valento
Knuth	Norton	Reif	Simoneau	Vellenga
Krueger	Olsen	Rose	Skoglund	Voss
Kvam	Omman	Schafer	Sviggum	Waltman
Levi	Onnen	Scheid	Thiede	Welker
Ludeman	Pauly	Schreiber	Tomlinson	Wigley
Marsh	Piepho	Seaberg	Tunheim	Zaffke

Those who voted in the negative were:

Anderson, B.	Ellingson	McEachern	Piper	Solberg
Battaglia	Greenfield	Metzen	Price	Sparby
Begich	Jacobs	Munger	Rice	Staten
Bergstrom	Jensen	Murphy	Riveness	Vanasek
Brandl	Kahn	Nelson, D.	Rodosovich	Welch
Carlson, L.	Kalis	Nelson, K.	Rodriguez, C.	Welle
Clark, K.	Kelly	Neuenschwander	Rodriguez, F.	Wenzel
Clawson	Kostohryz	O'Connor	St. Onge	Wynia
Cohen	Larsen	Ogren	Sarna	Speaker Sieben
Coleman	Long	Otis	Schoenfeld	
Eken	Mann	Peterson	Segal	

The motion prevailed.

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

CONFERENCE COMMITTEE REPORT ON 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; refining procedures and deadlines for investment reimbursement; authorizing the commissioner to use certain funds for short-term loans to help participants meet their family farm security loan obligations; exempting certain corporations and persons from the definition of warehouseman; exempting the family farm security program from certain loan commitment approval requirements; amending Minnesota Statutes 1982, sections 21.118; 29.27; 31.11; 31A.08; 41.56, subdivision 3; 231.01, subdivision 5; 500.221, subdivision 2a; 500.24, subdivision 4; and Minnesota Statutes 1983 Supplement, sections 16A.80, subdivision 2; 32.417; 38.02, subdivisions 1 and 3; and 500.221, subdivision 4.

April 24, 1984

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

The Honorable Jerome M. Hughes
President of the Senate

We, the undersigned conferees for H. F. No. 2182, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment and that H. F. No. 2182 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1983 Supplement, section 16A.80, subdivision 2, is amended to read:

Subd. 2. [DUTIES.] Notwithstanding any law to the contrary, an agency of state government which is authorized (1) to make, participate in, or guarantee loans to private sector businesses, or (2) to invest directly or indirectly in a private sector business shall submit each loan, loan participation, loan guarantee, or investment proposal to the office of debt and loan management before making a commitment to make the loan, loan participation, loan guarantee, or investment. No loan, loan participation, loan guarantee, or investment covered by this section shall be made without the approval of the office of loan management. This section does not apply to the housing finance agency, the state board of investment, the iron range resources and rehabilitation board, the higher education coordinating board, the higher education facilities authority, the department of agriculture family farm security program, or the energy and economic development authority.

Sec. 2. [17.709] [COUNCIL ON AGRICULTURAL COMMODITY PRICING.]

Subdivision 1. [APPOINTMENT; MEMBERS.] The council on agricultural commodity pricing is created and shall consist of four members of the senate appointed by the senate committee on rules and administration, four members of the house of representatives appointed by the speaker of the house, and four residents of the state representing farm organizations with a diverse, statewide membership of producers of agricultural commodities appointed by the commissioner of agriculture. Legislative council members shall be appointed at the commencement of the first year of each regular session for a two year term beginning on January 16 of that year. One member from each house of the legislature shall be a minority member of that body. The provisions of section 15.059, subdivisions 2, 3, and 4, apply to the nonlegislative members of the council. Vacancies may be filled in the same manner as the original appointment. The council may elect a chairman from among its members.

Subd. 2. [DUTIES.] The council shall review and make recommendations on how states with agricultural economies can cooperate in the areas of agricultural exports, specialty crops, agricultural education institutions, and other areas that will improve the agricultural economy. The council shall advise the commissioner of agriculture concerning agricultural commodity pricing and marketing and submit any recommended legislative changes to the appropriate standing committees of the legislature. The council must provide a forum for advice and comment from a broad spectrum of individuals and organizations involved in agriculture.

Sec. 3. 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. 4. 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 to be responsible and accountable for weighing and recording the weights of livestock.

Sec. 5. 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. 6. 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. 7. 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. 8. 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. 9. 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. 10. 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. 11. 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. 12. 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. 13. 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 may 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 DETERMIN-

ING 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 weighing and the commissioner. The agreement is for one year beginning July 1 and ending the following June 30. The agreement automatically renews each year unless the average daily number of livestock weighed falls below 500 head, in which case the business entity must give the commissioner a written notice of intent to terminate at least 90 days prior to July 1. Otherwise the commissioner shall continue to provide state weighing services in accordance with this chapter.*

State weighing service that exists on January 1, 1984, may not be terminated except as provided in this subdivision.

Subd. 3. [REQUEST BY PETITION.] Sellers of record of any weighing station employing one or more public livestock weighers may request by petition state livestock weighmasters. The commissioner shall, upon a petition signed by at least five percent of the sellers of record from the previous 12-month period submit to all sellers of record from the previous 12-month period the question of requiring state livestock weighmasters at the weighing station. The question on the ballot shall be stated substantially as follows:

"Shall state livestock weighmasters be required at weighing station?"

If the majority of the votes cast on the proposition is in the positive, the commissioner shall appoint state livestock weighmasters to the weighing station as necessary.

Subd. 4. [SUPERVISION AND ENFORCEMENT.] State livestock weighmasters have charge over the scales on which of-

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. 14. 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 prescribed by the commissioner shall not exceed the fee in effect on March 1, 1984.* 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. 15. 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.

Sec. 16. [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. 17. 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. 18. Minnesota Statutes 1983 Supplement, section 32.417, is amended to read:

32.417 [INVESTMENT REIMBURSEMENTS TO MANUFACTURED MILK PRODUCERS.]

An operator of a dairy farm that produces milk for sale in cans may apply for a reimbursement in the amount of \$100 for the first \$500 or fraction thereof, and ten percent of the next \$2,000, of the net expenditures by the operator for any capital improvements or equipment installed primarily for the purpose of conforming to the standards adopted in section 32.415. (NO) *An investment reimbursement (MAY) shall be made to an applicant (UNLESS) as soon as practicable after:*

(a) the applicant provides receipts for the expenditures;

(b) a dairy inspector authorized by the commissioner certifies that the applicant's dairy operation complies with the stan-

dards adopted in section 32.415 as a result of the installation of the improvements or equipment; and

(c) *the applicant provides a signed statement asserting that expenditures for the improvements and equipment were made on or after the effective date of this section but before (JULY 1) April 20, 1985.*

The commissioner shall provide (AN) *to the operator of each dairy farm that produces milk for sale in cans a simple application form for the reimbursement (PROGRAM) provided by this section. (BY JANUARY 1, 1984, THE COMMISSIONER SHALL ADOPT TEMPORARY RULES UNDER SECTIONS 14.29 TO 14.36 WHICH PROVIDE REIMBURSEMENT APPLICATION AND PAYMENT PROCEDURES, AND ELIGIBILITY CRITERIA BASED ON AN APPLICANT'S NEED FOR A REIMBURSEMENT. NOTWITHSTANDING THE PROVISIONS OF SECTION 14.35, THE RULES SHALL BE EFFECTIVE UNTIL JULY 1, 1985. NO REIMBURSEMENT APPLICATION MAY BE APPROVED AFTER JUNE 30, 1985). The department shall accept applications for the investment reimbursement program until April 30, 1985.*

Sec. 19. Minnesota Statutes 1982, section 41.56, subdivision 3, is amended to read:

Subd. 3. [DEFAULT, FILING CLAIM.] (a) *Within 90 days (OF) after a default on a guaranteed family farm security loan, the lender shall send notice to the applicant stating that the commissioner must be notified if the default continues for 180 days, and the consequences of that default. The lender and the applicant may agree to take any steps reasonable to assure the fulfillment of the loan obligation.*

(b) *If the participant who is an applicant proves to the commissioner that he cannot meet scheduled loan payments due to circumstances of a unique or temporary nature and the participant provides evidence to the commissioner that sufficient cash flow can be generated in the future to fully meet all needs, the commissioner may use funds in the special account under section 41.61, subdivision 1, to pay the applicant's loan obligation for not more than two consecutive years. The funds paid by the commissioner must be paid back to the fund within five years with interest charged at the rate of four percent below the prevailing Federal Land Bank rates.*

(c) *After 180 days from the initial default, if the applicant has not made arrangements to meet his obligation, the lender shall file a claim with the commissioner, identifying the loan and the nature of the default, and assigning to the state all of the lender's security and interest in the loan in exchange for payment according to the terms of the family farm security loan guarantee. In the case of a seller-sponsored loan, the seller may*

elect to pay the commissioner all sums owed the commissioner by the applicant and retain title to the property in lieu of payment by the commissioner under the terms of the loan guarantee. If the commissioner determines that the terms of the family farm security loan guarantee have been met, he shall authorize payment of state funds to the lender, and shall notify the defaulting party. The state of Minnesota shall then succeed to the interest of the mortgagee or the vendor of the contract for deed. Taxes shall be levied and paid on the land as though the owner were a natural person and not a political subdivision of the state. The commissioner may, on behalf of the state, commence foreclosure or termination proceedings in the manner provided by law.

Sec. 20. [GREEN PRAIRIE; CERTAIN POWERS.]

The town of Green Prairie in Morrison County may exercise the powers set out in Minnesota Statutes, section 368.01, subdivisions 14, 15, 16, 19, 21, 22, and 29.

Sec. 21. Minnesota Statutes 1983 Supplement, section 38.02, subdivision 1, is amended to read:

Subdivision 1. [PRO RATA DISTRIBUTION; CONDITIONS.] (1) Money appropriated to aid county and district agricultural societies and associations shall be distributed among all county and district agricultural societies or associations in the state pro rata, upon condition that each of them has complied with the conditions specified in clause (2).

(2) To be eligible to participate in such distribution, each such agricultural society or association (a) shall have held an annual fair for each of the three years last past, unless prevented from doing so because of a calamity or an epidemic declared by the local board of health or the state commissioner of health to exist; (b) shall have an annual membership of 25 or more; (c) shall have paid out to exhibitors for premiums awarded at the last fair held a sum not less than the amount to be received from the state; (d) shall have published and distributed not less than three weeks before the opening day of the fair a premium list, listing all items or articles on which premiums are offered and the amounts of such premiums and shall have paid premiums pursuant to the amount shown for each article or item to be exhibited; provided that premiums for school exhibits may be advertised in the published premium list by reference to a school premium list prepared and circulated during the preceding school year; and shall have collected all fees charged for entering an exhibit at the time the entry was made and in accordance with schedule of entry fees to be charged as published in the premium list; (e) shall have paid not more than one premium on each article or item exhibited, excluding championship or sweepstake awards, and excluding the payment of open class premium awards to 4H Club exhibits which at this same fair had won a first prize award in regular 4H Club competition; (f) shall have

submitted its records and annual report to the commissioner of agriculture on a form provided by the commissioner of agriculture, on or before the first day of (DECEMBER) *November* of the current year.

(3) All payments authorized under the provisions of this chapter shall be made only upon the presentation by the commissioner of agriculture with the commissioner of finance of a statement of premium allocations. As used herein the term premium shall mean the cash award paid to an exhibitor for the merit of an exhibit of livestock, livestock products, grains, fruits, flowers, vegetables, articles of domestic science, handicrafts, hobbies, fine arts, and articles made by school pupils, or the cash award paid to the merit winner of events such as 4H Club or Future Farmer Contest, Youth Group Contests, school spelling contests and school current events contests, the award corresponding to the amount offered in the advertised premium list referred to in schedule 2. Payments of awards for horse races, ball games, musical contests, talent contests, parades, and for amusement features for which admission is charged, are specifically excluded from consideration as premiums within the meaning of that term as used herein. Upon receipt of the statement by the commissioner of agriculture, it shall be the duty of the commissioner of finance to draw his voucher in favor of the agricultural society or association for the amount to which it is entitled under the provisions of this chapter, which amount shall be computed as follows: On the first \$750 premiums paid by each society or association, such society or association shall receive 100 percent reimbursement; on the second \$750 premiums paid, 80 percent; on the third \$750 premiums paid, 60 percent; and on any sum in excess of \$2,250, 40 percent.

(4) If the total amount of state aid to which the agricultural societies and associations are entitled under the provisions of this chapter exceeds the amount of the appropriation therefor, the amounts to which the societies or associations are entitled shall be pro rated so that the total payments by the state will not exceed the appropriation.

Sec. 22. Minnesota Statutes 1983 Supplement, section 38.02, subdivision 3, is amended to read:

Subd. 3. [CERTIFICATION, COMMISSIONER OF AGRICULTURE.] Any county or district agricultural society which has held its second annual fair is entitled to share pro rata in the distribution. The commissioner of agriculture shall certify to the secretary of the state agricultural society, within 30 days after payments have been made, a list of all county or district agricultural societies that have complied with this chapter, and which are entitled to share in the appropriation. All payments shall be made (WITHIN THREE MONTHS AFTER THE AGRICULTURAL SOCIETIES SUBMITTED THEIR REPORTS UNDER SUBDIVISION 1, CLAUSE (2)(F)) *on or*

before December 20 of the year in which the fair is held or within 30 days after all societies have submitted their annual report to the commissioner of agriculture, whichever is later.

Sec. 23. [121.60] [MILK IN SCHOOLS PROGRAM; CITATION.]

Sections 23 to 28 may be cited as the Minnesota Milk In Schools Act.

Sec. 24. [121.61] [MILK IN SCHOOLS PROGRAM.]

Subdivision 1. [ADMINISTRATION.] The Minnesota milk in schools program created by this act shall be administered by the commissioner of education or designee. The state board 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 Minnesota 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 six. Schools which are participating in the federal special milk program authorized pursuant to Public Law 89-642 shall not be eligible to participate in the program established in this section.

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

Subd. 4. [APPLICATION.] Beginning in the 1986-1987 school year, by August 1 of each year, any eligible school may apply to the commissioner of education on application forms provided by the department to participate in the Minnesota milk in schools program and to receive aid for eligible milk products as defined in subdivision 3.

Sec. 25. [121.62] [AID PAYMENTS.]

The department of education shall pay aid to eligible schools who comply with the requirements of section 24, subdivision 4, in an amount equal to the amount raised by the school district pursuant to section 27, but not to exceed an amount of \$1.25 for

each pupil unit in average daily membership in grades kindergarten to six. The school district may decide how the aid is allocated among the pupils in those grades. The department shall make an initial payment of the district's aid entitlement by August 31 of each fiscal year and the remaining amount by March 31 in the same fiscal year.

Sec. 26. [121.63] [UFARS ACCOUNT.]

The state board of education, with the advice and assistance of the uniform financial and reporting standards council, shall establish a new Minnesota milk in schools program account. Funds received by the district for this program shall be deposited in this account and shall be expended only for the purposes of this program.

Sec. 27. [121.64] [ADDITIONAL FUNDING.]

Districts participating in this program may accept additional private contributions to supplement the state funding. These contributions shall be deposited in the district's fund established pursuant to section 26 and shall be treated in accordance with the provisions of section 290.089, subdivision 2, for income tax purposes.

Sec. 28. [121.65] [PROMOTION; DISSEMINATION OF INFORMATION.]

The department of education, in cooperation with the school districts, shall promote and disseminate information about the Minnesota milk in schools program to school district residents.

Sec. 29. [EFFECTIVE DATE.]

Section 20 is effective the day after compliance with Minnesota Statutes, section 645.021, subdivision 3, by the town board of Green Prairie. Sections 23 to 27 are effective July 1, 1986. Section 28 is effective July 1, 1985."

Delete the title and insert:

"A bill for an act relating to agriculture; providing for rural Minnesota and its towns; providing for omnibus agricultural law changes; creating the Minnesota milk in schools program; 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; 17A.12; 31.11; 41.56, subdivision 3; Minnesota Statutes 1983 Supplement, sections 16A.80, subdivision 2; 17A.-06, subdivision 3; 32.417; 38.02, subdivisions 1 and 3; proposing new law coded in Minnesota Statutes, chapters 17; 17A; and 121."

We request adoption of this report and repassage of the bill.

House Conferees: STEPHEN G. WENZEL, JAMES METZEN, SYLVESTER UPHUS, RICK KRUEGER and BOB JENSEN.

Senate Conferees: JOE BERTRAM, CHARLES R. DAVIS, CHARLES A. BERG and GARY M. DECRAMER.

Wenzel moved that the report of the Conference Committee on H. F. No. 2182 be adopted and that the bill be repassed as amended by the Conference Committee.

The Speaker resumed the Chair.

POINT OF ORDER

Welker raised a point of order relating to subject matter contained in the Conference Committee report on H. F. No. 2182 pursuant to rule 6.11, paragraph 2. The Speaker ruled the point of order not well taken.

The question recurred on the Wenzel motion that the report of the Conference Committee on H. F. No. 2182 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 2182 was read for the third time, as amended by Conference.

Welker moved to re-refer H. F. No. 2182 to the Committee on Appropriations. The Speaker ruled the Welker motion to re-refer out of order.

MOTIONS FOR RECONSIDERATION

Welker moved that the action whereby H. F. No. 2182 was given its third reading, as amended by Conference, be now reconsidered. The motion prevailed.

Welker moved that the action whereby the report of the Conference Committee on H. F. No. 2182 was adopted be now reconsidered. The motion prevailed.

Welker moved that the House refuse to adopt the Conference Committee report on H. F. No. 2182, and that the bill be returned to the Conference Committee.

A roll call was requested and properly seconded.

The question was taken on the Welker motion and the roll was called. There were 53 yeas and 62 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Erickson	Kahn	Pauly	Skoglund
Anderson, R.	Evans	Knickerbocker	Piepho	Swiggum
Bennett	Fjoslien	Kostohryz	Quist	Thiede
Bishop	Forsythe	Kvam	Redalen	Valento
Blatz	Frerichs	Larsen	Reif	Voss
Boo	Gutknecht	Levi	Rodriguez, C.	Waltman
Burger	Haukoos	Long	Rose	Welker
Clark, J.	Hcap	Ludeman	Schafer	Wigley
Coleman	Himle	Norton	Schreiber	Zaffke
Dempsey	Jennings	Olsen	Seaberg	
DenOuden	Johnson	Onnen	Shaver	

Those who voted in the negative were:

Battaglia	Findlay	Metzen	Price	Staten
Beard	Graba	Minné	Riveness	Tomlinson
Begich	Greenfield	Munger	Rodosovich	Tunheim
Bergstrom	Gruenes	Murphy	Rodriguez, F.	Valan
Brandl	Hoffman	Nelson, D.	St. Onge	Vanasek
Brinkman	Jacobs	Neuenschwander	Sarna	Veltenga
Carlson, L.	Jensen	O'Connor	Scheid	Welch
Clark, K.	Kalis	Ogren	Schoenfeld	Wenzel
Cohen	Kelly	Omann	Segal	Wynia
Dimler	Knuth	Osthoff	Shea	Speaker Sieben
Eken	Krueger	Otis	Sherman	
Elioff	Mann	Peterson	Solberg	
Ellingson	Marsh	Piper	Sparby	

The motion did not prevail.

Wenzel moved that the report of the Conference Committee on H. F. No. 2182 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

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; refining procedures and deadlines for investment reimbursement; authorizing the commissioner to use certain funds for short-term loans to help participants meet their family farm security loan obligations; exempting certain corporations and persons from the definition of warehouseman; exempting the family farm security program from certain loan commitment approval requirements; amending Minnesota Statutes 1982, sections 21.118; 29.27; 31.11; 31A.08; 41.56, subdivision 3; 231.01, subdivision 5; 500.221, subdivision 2a; 500.24, subdivision 4; and Minnesota Statutes 1983 Supplement, sections 16A.80, subdivision 2; 32.417; 38.02, subdivisions 1 and 3; and 500.221, subdivision 4.

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

The question was taken on the repassage of the bill and the roll was called. There were 74 yeas and 40 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Erickson	Krueger	Osthoff	Solberg
Battaglia	Evans	Kvam	Otis	Sparby
Beard	Findlay	Larsen	Peterson	Staten
Begich	Fjoslien	Mann	Piper	Sviggum
Bergstrom	Graba	Marsh	Price	Tomlinson
Brandl	Greenfield	Metzen	Quinn	Tunheim
Brinkman	Gruenes	Minne	Riveness	Valan
Carlson, L.	Gutknecht	Munger	Rodosovich	Vanasek
Clark, K.	Hoffman	Murphy	Rodriguez, F.	Waltman
Clawson	Jacobs	Nelson, D.	St Onge	Welch
Cohen	Jensen	Nelson, K.	Sarna	Welle
Dimler	Johnson	Neuenschwander	Scheid	Wenzel
Eken	Kalis	O'Connor	Schoenfeld	Wynia
Elioff	Kelly	Ogren	Shea	Speaker Sieben
Ellingson	Knuth	Omann	Sherman	

Those who voted in the negative were:

Anderson, G.	Dempsey	Kahn	Quist	Shaver
Anderson, R.	DenOuden	Knickerbocker	Redalen	Skoglund
Bennett	Forsythe	Kostohryz	Reif	Thiede
Bishop	Frerichs	Levi	Rodriguez, C.	Valento
Blatz	Haukoos	Ludeman	Rose	Voss
Burger	Heap	Olsen	Schafer	Welker
Clark, J.	Himle	Pauly	Schreiber	Wigley
Coleman	Jennings	Piepho	Seaberg	Zaffke

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

There being no objection the order of business reverted to Messages from the Senate.

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

H. F. No. 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 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 that the Senate has concurred in and adopted the report of the Conference Committee on:

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, subdivision 2; 3.3005; 3.351; 10.12; 10.14; 10.15; 11A.08, subdivision 3; 15.0597, subdivision 1; 16.02, by adding a subdivision; 16.026, subdivisions 3 and 7; 16.081; 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; 17.03, by adding a subdivision; 17A.03, by adding subdivisions; 17A.04, subdivisions 1, 6, 7, and 8; 17A.05; 17A.07; 17A.10; 17A.11; 17A.12; 43A.27, by adding a subdivision; 43A.30, by adding a subdivision; 84.085; 84A.53; 84A.54; 84A.55, subdivision 9; 84B.03, by adding a subdivision; 94.16; 116J.19, subdivision 13; 116J.36, as amended; 116J.88, by adding a subdivision; 116J.89, by adding a subdivision; 117.195, subdivision 1; 117.232, subdivision 1; 125.031; 136.11, subdivisions 2 and 7; 136.506; 136.55, subdivision 2; 136A.02, subdivision 1a; 136A.32, subdivision 7; 136A.81, subdivision 1; 138.025, subdivision 11; 144.414; 155A.06, subdivision 1; 158.07; 158.08; 161.173; 161.174; 161.242, subdivisions 3 and 4; 161.31, subdivision 1; 168.27, subdivisions 2 and 3; 168.33, subdivision 2; 169.966, subdivision 1a, and by adding a subdivision; 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; 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; 256.851; 256D.02, subdivisions 6, 8, and by adding a subdivision; 256D.06, subdivision 3; 256D.15; 256E.03, subdivision 2; 256E.07, subdivision 1, and by adding subdivisions; 296.13; 299D.03, subdivision 2; 299F.63, by adding a subdivision; 325F.20, subdivision 1; 329.099; 340.11, subdivision 11a; 345.47, subdivision 1, and by adding a subdivision; 345.525; 352.01, subdivision 2A; 352E.02; 352E.04; 359.01; 398.09; 462A.05, subdivision 20; 473.121, subdivisions 7, 10, 16, 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; 484.545, subdivision 1; Minnesota Statutes 1983 Supplement, sections 3.3026, subdivision 5; 10A.01, subdivision 18; 10A.04, subdivision 4; 15A.081, subdivisions 1, 6, and 7; 15A.082; 15A.083, subdivision 1; 16.083; 16.28, subdivision 2; 16A.125, subdivision 5; 16A.127, subdivision 1; 16A.36; 17A.06, subdivision 3; 38.02, subdivision 1; 43A.04, subdivision 8; 85.40, subdivision 5; 85.41, subdivisions 3, 4, and 5; 116J.09; 116J.18, subdivision 1; 116J.31; 116J.70, subdivision 2a; 116J.90, by adding a subdivision; 116J.91, subdivision 4; 135A.03, subdivisions 1, 3, and 4; 136.144; 136A.121, subdivision 2; 136A.26; 144.651, subdivision 9; 161.43; 161.44, subdivision 6a; 169.81, subdivision 2; 174.24, subdivision 3; 179.70, subdivision 1; 179.7411;

180.03, subdivision 2; 214.06, subdivision 1; 214.13, subdivision 4; 221.041, by adding a subdivision; 221.071, subdivision 1; 240.06, subdivision 7; 256.01, subdivision 2; 256.737; 256B.501; subdivision 10; 256D.01, subdivision 1; 256D.03, subdivision 4; 256D.111, subdivisions 1, 2, 5, and by adding a subdivision; 256D.112; 268.672, subdivision 6; 268.673, subdivision 5; 268.675; 268.676, subdivisions 1 and 2; 268.677; 268.685; 268.686; 268.80; 268.81; 297B.09; 298.296, subdivision 1; 352D.02, subdivision 1; 357.021, subdivision 2a; 462A.07, subdivision 15; 473.436, subdivision 6; 486.06; 517.03, subdivision 1c; 609.855, subdivisions 1 and 2; Laws 1983, chapter 199, section 17, subdivision 2; chapter 290, section 172, as amended; chapter 293, sections 1; 2, subdivisions 2, 8, and 9; 4, subdivisions 1 and 3; 5; and 6; chapter 301, sections 38, 39, 40, 41, and 42; proposing new law coded in Minnesota Statutes, chapters 13, 15, 17A, 84, 84A, 94, 115A, 116J, 136, 174, 190, 214, 221, 246, 256B, 268, 349, 473, 494; proposing new law coded as Minnesota Statutes, chapters 16B; 40A; 44A; and 494; repealing Minnesota Statutes 1982, sections 10.13; 16A.132; 16A.51; 16A.59; 16A.73; 84.82, subdivision 1; 136.11, subdivision 6; 136A.133; 167.31; 167.32; 167.33; 167.34; 167.35; 167.36; 167.37; 167.38; 167.39; 167.42; 167.43; 167.44; 167.521; 168.27, subdivision 5; 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; 473.451; Minnesota Statutes 1983 Supplement, section 17.106; and Laws 1983, chapter 289, section 102, and chapter 301, section 233.

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 that the Senate has concurred in and adopted the report of the Conference Committee on:

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 1983 Supplement, section 144.651, 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:

H. F. No. 533, A bill for an act relating to state government; providing for legislative expenses; amending Minnesota Statutes 1982, section 3.101; repealing Minnesota Statutes 1982, section 3.102.

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. 1880.

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. 1880

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.

April 19, 1984

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. 1880, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendments and that S. F. No. 1880 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 117.52, is amended to read:

117.52 [UNIFORM RELOCATION ASSISTANCE.]

Subdivision 1. [LACK OF FEDERAL FUNDING.] In all acquisitions undertaken by any acquiring authority and in all voluntary rehabilitation carried out by a person pursuant to acquisition or as a consequence thereof, in which, due to the lack of federal financial participation, relocation assistance, services, payments and benefits under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, 84 Stat. 1894 (1971), 42 United States Code, Section 4601, et seq., are not available, the acquiring authority, as a cost of acquisition, shall provide all relocation assistance, services, payments and benefits required by the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and (ANY) those regulations adopted pursuant thereto by the United States department of housing and urban development, (EXCEPT THAT) *in effect as of January 1, 1984.*

Subd. 2. [ACQUISITIONS FOR HIGHWAY PURPOSES.] *Despite subdivision 1,* with respect to acquisitions for highway purposes or acquisitions for which the state department of transportation performs relocation assistance services for the department of administration, the regulations of the United States department of transportation may be applied (, AS OF THE DATE OF ENACTMENT OF SECTIONS 117.50 TO 117.56,) to all displaced persons who would otherwise be eligible for such relocation assistance, services, payments and benefits thereunder but for the lack of federal financial participation.

Subd. 3. [EXCEPTION.] This section shall not apply in the case where federal financial participation for provision of relocation assistance, services, payments and benefits in connection with an acquisition has been procured or committed pursuant to section 117.51 and has then been withdrawn by the United States, unless the acquiring authority subsequently determines to proceed with the acquisition in question using non-federal funds.

Sec. 2. Minnesota Statutes 1982, section 429.021, subdivision 1, is amended to read:

Subdivision 1. [IMPROVEMENTS AUTHORIZED.] The council of a municipality shall have power to make the following improvements:

(1) To acquire, open, and widen any street, and to improve the same by constructing, reconstructing, and maintaining sidewalks, pavement, gutters, curbs, and vehicle parking strips of any material, or by grading, graveling, oiling, or otherwise improving the same, including the beautification thereof and including storm sewers or other street drainage and connections from sewer, water or similar mains to curb lines.

(2) To acquire, develop, construct, reconstruct, extend and maintain storm and sanitary sewers and systems, including out-

lets, holding areas and ponds, treatment plants, pumps, lift stations, service connections, and other appurtenances of a sewer system, within and without the corporate limits.

(3) To construct, reconstruct, extend and maintain steam heating mains.

(4) To install, replace, extend and maintain street lights and street lighting systems and special lighting systems.

(5) To acquire, improve, construct, reconstruct, extend and maintain water works systems, including mains, valves, hydrants, service connections, wells, pumps, reservoirs, tanks, treatment plants, and other appurtenances of a water works system, within and without the corporate limits.

(6) To acquire, improve and equip parks, open space areas, playgrounds and recreational facilities within or without the corporate limits.

(7) To plant trees on streets and provide for their trimming, care and removal.

(8) To abate nuisances and to drain swamps, marshes and ponds on public or private property and to fill the same.

(9) To construct, reconstruct, extend, and maintain dikes and other flood control works.

(10) To construct, reconstruct, extend and maintain retaining walls and area walls.

(11) To acquire, construct, reconstruct, improve, alter, extend, operate, maintain and promote a pedestrian skyway system. *Such improvement may be made upon a petition pursuant to section 429.031, subdivision 3.*

(12) To acquire, construct, reconstruct, extend, operate, maintain and promote underground pedestrian concourses.

(13) To acquire, construct, improve, alter, extend, operate, maintain and promote public malls, plazas or courtyards.

(14) To construct, reconstruct, extend, and maintain district heating systems.

(15) *To construct, reconstruct, alter, extend, operate, maintain and promote fire protection systems in existing buildings, but only upon a petition pursuant to section 429.031, subdivision 3.*

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 or a pedestrian skyway 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 or pedestrian skyway system. In the case of a petition for the installation of a fire protection or pedestrian skyway system which will be privately owned, the petition shall also contain the plans and specifications for the improvement, the estimated cost of the improvement and a statement indicating whether the city or the owner will contract for the construction of the improvement. If the owner is contracting for the construction of the improvement, the city shall not approve the petition until it has reviewed and approved the plans, specifications, and cost estimates contained in the petition. The construction cost financed under section 429.091 shall not exceed the amount of the cost estimate contained in the petition. In the case of a petition for the installation of a fire protection or a pedestrian skyway system, the petitioner may request abandonment of the improvement at any time after it has been ordered pursuant to subdivision 1 and before contracts have been awarded for the construction of the improvement under section 429.041, subdivision 2. If such a request is received, the city council shall abandon the proceedings but in such case the petitioner shall reimburse the city for any and all expenses incurred by the city in connection with the improvement.*

Sec. 4. Minnesota Statutes 1982, section 429.091, subdivision 2, is amended to read:

Subd. 2. [TYPES OF OBLIGATIONS PERMITTED.] *Except for bonds issued for a pedestrian skyway system, the council may by resolution adopted prior to the sale of obligations pledge the full faith, credit, and taxing power of the municipality for the payment of the principal and interest. Such obligations shall be called improvement bonds and the council shall pay the*

principal and interest out of any fund of the municipality when the amount credited to the specified fund is insufficient for the purpose and shall each year levy a sufficient amount to take care of accumulated or anticipated deficiencies, which levy shall not be subject to any statutory or charter tax limitation. Obligations for the payment of which the full faith and credit of the municipality is not pledged shall be called improvement warrants or, in the case of bonds for fire protection or pedestrian skyway systems, revenue bonds and shall contain a promise to pay solely out of the proper special fund or funds pledged to their payment. It shall be the duty of the municipal treasurer to pay maturing principal and interest on warrants or revenue bonds out of funds on hand in the proper (SPECIAL FUND) funds and not otherwise.

Sec. 5. Minnesota Statutes 1982, section 429.101, subdivision 1, is amended to read:

Subdivision 1. [ORDINANCES.] In addition to any other method authorized by law or charter, the governing body of any municipality may provide for the collection of unpaid special charges for all or any part of the cost of

- (a) snow, ice, or rubbish removal from sidewalks,
- (b) weed elimination from streets or private property,
- (c) removal or elimination of public health or safety hazards from private property, excluding any structure included under the provisions of sections 463.15 to 463.26,
- (d) installation or repair of water service lines, street sprinkling or other dust treatment of streets,
- (e) the trimming and care of trees and the removal of unsound trees from any street,
- (f) the treatment and removal of insect infested or diseased trees on private property, the repair of sidewalks and alleys, (OR)
- (g) the operation of a street lighting system, or
- (h) the operation and maintenance of a fire protection or a pedestrian skyway system,

as a special assessment against the property benefited. The council may by ordinance adopt regulations consistent with this section to make this authority effective, including, at the option of the council, provisions for placing primary responsibility upon the property owner or occupant to do the work himself (except

in the case of street sprinkling or other dust treatment, alley repair, tree trimming, care, and removal or the operation of a street lighting system) upon notice before the work is undertaken, and for collection from the property owner or other person served of the charges when due before unpaid charges are made a special assessment.

Sec. 6. Minnesota Statutes 1982, section 462.441, is amended to read:

462.441 [POWERS; QUORUM; OFFICERS; MEETING; COMPENSATION; EXPENSES.]

The powers of each authority shall be vested in the commissioners thereof in office at any time; a majority of whom shall constitute a quorum for all purposes. Each authority shall select a chairman and a secretary from among its commissioners and shall adopt such bylaws and other rules for the conduct of its affairs as it deems appropriate. The regular meetings of an authority shall be held in a fixed place and shall be open to the public. Each commissioner shall be entitled to receive necessary expenses, including traveling expenses, incurred in the performance of his duties. Each commissioner may be paid for attending meetings of the authority, regular and special (\$25) \$35 per meeting, the aggregate of all payments to each such commissioner for any one year not to exceed, however, (\$1,500) \$2,500.

Sec. 7. Minnesota Statutes 1982, section 462.461, subdivision 1, is amended to read:

Subdivision 1. All construction work, and work of demolition or clearing, and every purchase of equipment, supplies, or materials, necessary in carrying out the purposes of sections 462.415 to 462.705, that shall involve the expenditure of (\$5,000) \$15,000 or more shall be awarded by contract as hereinafter provided. Before receiving bids under the provisions of these sections the authority shall publish, once a week for two consecutive weeks in an official newspaper of general circulation in the community a notice that bids will be received for that construction work, or that purchase of equipment, supplies, or materials, stating the nature of the work and the terms and conditions upon which the contract is to be let, naming therein a time and place where bids will be received, opened and read publicly, which time shall be not less than seven days after the date of the last publication. After the bids have been duly received, opened and read publicly and recorded, the authority shall award the contract to the lowest responsible bidder, the authority reserving the right, however, to reject any or all bids, each such contract to be duly executed in writing, and the person to whom the contract is awarded shall give sufficient bond to the authority for its faithful performance. If no satisfactory bid is received, the authority may readvertise. The authority shall have the right to set up

reasonable qualifications to determine the fitness and responsibility of bidders and to require bidders to meet such qualifications before bids are accepted.

Sec. 8. Minnesota Statutes 1982, section 462.461, subdivision 2, is amended to read:

Subd. 2. If the authority by an affirmative vote of four-fifths of its members shall declare that an emergency exists requiring the immediate purchase of any equipment or material or supplies at a cost in excess of (\$5,000) \$15,000, but not exceeding (\$10,000) \$30,000 in amount, or making of emergency repairs, it shall not be necessary to advertise for bids, but the material, equipment, or supplies may be purchased in the open market at the lowest price obtainable, or the emergency repairs may be contracted for or performed without securing formal competitive bids. An emergency, as considered in sections 462.415 to 462.705, shall be understood to be unforeseen circumstances or conditions which result in the placing in jeopardy of human life or property.

Sec. 9. Minnesota Statutes 1982, section 462.461, subdivision 3, is amended to read:

Subd. 3. Bonds shall be required from contractors for any works of construction as provided in and subject to all the provisions of (MINNESOTA STATUTES 1945,) sections 574.26 to 574.31. *Sections 574.21 to 574.31 and this subdivision do not apply to contracts entered into by an authority for an expenditure of less than \$15,000.*

Sec. 10. Minnesota Statutes 1982, section 462C.09, is amended by adding a subdivision to read:

Subd. 2a. [1985 CITY ALLOCATION.] *Notwithstanding the allocation provisions of subdivision 2, this subdivision applies to the January 1985 allocations. Unless otherwise authorized by law, a city that intends to issue during the calendar year 1985 mortgage revenue bonds that are subject to the volume limitation imposed by section 103A(g) of the Internal Revenue Code of 1954, as amended through March 1, 1983, shall by January 2, 1985 submit to the Minnesota housing finance agency a program that will use a portion of the state mortgage revenue bond ceiling. The total amount of bonds included in all programs submitted pursuant to this subdivision by a city may not exceed \$10,000,000. Each program shall be accompanied by a certificate from the city that states that the revenue bond issue is feasible. By February 1, the Minnesota housing finance agency shall review each program pursuant to section 462C.04, subdivision 2. The Minnesota housing finance agency shall approve all programs that the agency determines are consistent with this chapter, and that meet the following conditions:*

(a) all of the loans must be reserved for a period of not less than six months for persons and families whose adjusted family income is below 80 percent of the limits on adjusted gross income provided in section 462C.03, subdivision 2; and

(b) loans must be made only to finance homes that are serviced by municipal water and sewer utilities; provided that if the approval of all programs would result in an allocation to cities in excess of 27-1/2 percent of the state ceiling for the calendar year 1985, reduced by the amount of bonds that are allocated by law to specified cities, the Minnesota housing finance agency shall approve programs that are submitted by a city which meets any of the following three criteria: (1) a city of the first class, or (2) a city that did not receive an allocation under this subdivision during the preceding two calendar years, or (3) a group of cities that plan to jointly issue bonds for the program provided further that if approval of all of the programs submitted by cities that meet one or more of the criteria in (1), (2), or (3) would result in a total allocation to cities in excess of the portion of the state ceiling available for allocation, then from among those programs the agency shall select by lot the programs to be approved. If a portion of the state ceiling remains unallocated after the agency has approved all programs submitted by cities that meet one or more of the criteria in (1), (2), or (3), the Minnesota housing finance agency shall select by lot from among the remaining programs the programs to be approved. The Minnesota housing finance agency shall determine if a program meets the conditions in clauses (a) and (b) based solely upon the program with accompanying information submitted to the agency. Approval of a program shall constitute an allocation of a portion of the state ceiling for mortgage revenue bonds equal to the proposed bond issue or issues contained in the program, provided that the allocation for the last selected program that receives an allocation may be equal to or less than the amount of the bond issue or issues proposed in the program.

If a city which received an allocation pursuant to this subdivision, or which has been allocated a portion of the state ceiling by law and has received approval of one or more programs, has not issued bonds by September 1 in an amount equal to the allocation, and the city intends to issue mortgage revenue bonds prior to the end of the calendar year, the city shall by September 1 submit to the Minnesota housing finance agency for each program a letter that states the city's intent to issue the mortgage revenue bonds prior to the end of the calendar year. If the Minnesota housing finance agency does not receive the letter from the city, then the allocation of the state ceiling for that program shall expire on September 1, and the applicable limit for the Minnesota housing finance agency shall be increased by an amount equal to the unused portion of the allocation to the city. A city referred to in subdivision 1, clause (i), shall not be required to apply under this subdivision with respect to bonds allocated by law to any such city. Nothing in this subdivision

shall prevent any such city from applying for an additional allocation of bonds under this subdivision.

Sec. 11. Minnesota Statutes 1983 Supplement, section 474.03, subdivision 3, is amended to read:

Subd. 3. [REVENUE BONDS.] It may issue revenue bonds, in anticipation of the collection of revenues of (THE) a project to be situated within the state, whether wholly or partially within or without the municipality or redevelopment agency, to finance, in whole or in part, the cost of the acquisition, construction, reconstruction, improvement, betterment, or extension thereof.

Sec. 12. Minnesota Statutes 1982, section 641.24, is amended to read:

641.24 [LEASING.]

The county may, by resolution of the county board, enter into a lease agreement with any statutory or home rule charter city situated within the county, or a county housing and redevelopment authority established pursuant to chapter 462 or any special law whereby the city or county housing and redevelopment authority will construct a (COUNTY) jail in accordance with plans prepared by or at the request of the county board and approved by the commissioner of corrections and will finance it by the issuance of revenue bonds, and the county (WILL) may lease the jail site and improvements for a term and upon rentals sufficient to produce revenue for the prompt payment of the bonds and all interest accruing thereon and, upon completion of payment, will acquire title thereto. The real and personal property acquired for the jail shall constitute a project and the lease agreement shall constitute a revenue agreement as contemplated in chapter 474, and all proceedings shall be taken by the city or county housing and redevelopment authority and the county in the manner and with the force and effect provided in chapter 474; provided that:

(1) No tax shall be imposed upon or in lieu of a tax upon the property;

(2) The approval of the project by the commissioner of securities and real estate shall not be required;

(3) The department of corrections shall be furnished and shall record such information concerning each project as it may prescribe, in lieu of reports required on other projects to the commissioner of energy, planning and development;

(4) The rentals required to be paid under the lease agreement shall not exceed in any year four-tenths of one percent of

the assessed value of property within the county, as last finally equalized before the execution of the agreement;

(5) The county board shall provide for the payment of all rentals due during the term of the lease, in the manner required in section 641.264, subdivision 2; (AND)

(6) No mortgage on the jail property shall be granted for the security of the bonds, but compliance with clause (5) hereof may be enforced as a nondiscretionary duty of the county board; and

(7) *The county board may sublease any part of the jail property for purposes consistent with the maintenance and operation of a county jail.*

Sec. 13. Minnesota Statutes 1982, section 641.264, subdivision 1, is amended to read:

Subdivision 1. [CAPITAL IMPROVEMENTS; BOND ISSUES AND LEASES.] The construction or acquisition, the equipping, and subsequent improvement of a county regional jail may be financed in whole or in part by the issuance of general obligation bonds of the cooperating counties in the manner provided in section 641.23 or by the issuance of revenue bonds of a city situated in one of the counties or with the approval of the board of county commissioners of each cooperating county a county housing and redevelopment authority established pursuant to chapter 462 or special law, secured by a lease agreement in the manner provided in chapter 474 and in sections 641.24 and 641.263, subdivision 2. Proceedings for the issuance of general obligation bonds shall be instituted by the board of county commissioners of each cooperating county. The regional jail board, with the approval of the county board of each cooperating county, shall fix the total amount necessary to be raised for the construction or acquisition, the equipping, and subsequent improvement of a regional jail, and shall apportion to each county in the manner provided in subdivision 2 the share of this amount, or of annual debt service or lease rentals required to pay this amount with interest, which is to be raised by the county.

Sec. 14. [BLUE HILL; POWERS.]

Subdivision 1. [EXERCISE OF POWERS.] *The town of Blue Hill in Sherburne County may exercise the powers set out in Minnesota Statutes, section 368.01.*

Subd. 2. [EFFECTIVE DATE.] *This section is effective the day after the town board of Blue Hill complies with Minnesota Statutes, section 645.021, subdivision 3.*

Sec. 15. [EFFECTIVE DATE.]

Sections 1 to 13 are effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to government services; clarifying references to federal relocation law; changing provisions relating to housing and redevelopment authorities; changing allocation of certain qualified mortgage bonds; providing conditions for certain municipal improvements; changing certain powers of municipalities or redevelopment agencies; providing for financing of county and county regional jails; granting certain powers to the town of Blue Hill; making changes in the authority for certain municipal housing programs; amending Minnesota Statutes 1982, sections 117.52; 429.021, subdivision 1; 429.031, subdivision 3; 429.091, subdivision 2; 429.101, subdivision 1; 462.441; 462.461, subdivisions 1, 2, and 3; 462C.09, by adding a subdivision; 641.24; 641.264, subdivision 1; Minnesota Statutes 1983 Supplement, section 474.03, subdivision 3."

We request adoption of this report and repassage of the bill.

Senate Conferees: DUANE D. BENSON, DARRIL WEGSCHEID and LAWRENCE J. POGEMILLER.

House Conferees: BOB ELLINGSON, CAROLYN RODRIGUEZ and WILLIAM SCHREIBER.

Ellingson moved that the report of the Conference Committee on S. F. No. 1880 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 1880, 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 third time, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 116 yeas and 5 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Beard	Bergstrom	Brinkman	Clark, J.
Anderson, G.	Begich	Blatz	Burger	Clark, K.
Battaglia	Bennett	Brandl	Carlson, L.	Clawson

Cohen	Jensen	Murphy	Rice	Sviggum
Coleman	Johnson	Nelson, D.	Riveness	Thiede
Dempsey	Kahn	Nelson, K.	Rodosovich	Tomlinson
Dimler	Kalis	Neuenschwander	Rodriguez, C.	Tunheim
Eken	Kelly	Norton	Rodriguez, F.	Uphus
Elioff	Knickerbocker	O'Connor	Rose	Valan
Ellingson	Knuth	Ogren	St. Onge	Valento
Erickson	Kostohryz	Olsen	Sarna	Vanasek
Evans	Krueger	Omann	Schafer	Vellenga
Findlay	Kvam	Onnen	Scheid	Voss
Fjoslien	Larsen	Osthoff	Schoenfeld	Waltman
Forsythe	Levi	Otis	Schreiber	Welch
Frerichs	Long	Pauly	Seaberg	Welle
Graba	Ludeman	Peterson	Segal	Wenzel
Greenfield	Mann	Piepho	Shea	Wigley
Gruenes	Marsh	Piper	Sherman	Wynia
Gutknecht	McEachern	Price	Simoneau	Speaker Sieben
Heap	McKasy	Quinn	Skoglund	
Himle	Metzen	Quist	Solberg	
Hoffman	Minne	Redalen	Sparby	
Jacobs	Munger	Reif	Staten	

Those who voted in the negative were:

Anderson, R.	DenOuden	Haukoos	Welker	Zaffke
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The bill was repassed, as amended by Conference, and its title agreed to.

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

S. F. No. 1628.

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. 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.

April 20, 1984

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. 1628, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendment and that S. F. No. 1628 be further amended as follows:

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) facility 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) or day care facilities from single family zones if otherwise permitted by a local zoning regulation.

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 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) facility 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) or day care facilities from single family zones if otherwise permitted by a local zoning regulation.

Sec. 9. [EFFECTIVE DATE.]

Sections 1 to 8 are effective the day after final enactment."

We request adoption of this report and repassage of the bill.

Senate Conferees: LINDA BERGLIN, ERIC D. PETTY and RON SIELOFF.

House Conferees: LEE GREENFIELD, DOMINIC J. ELIOFF and BEN BOO.

Greenfield moved that the report of the Conference Committee on S. F. No. 1628 be adopted and that the bill be repassed as amended by the Conference Committee. 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 third time, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 115 yeas and 7 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Bennett	Brinkman	Clawson	Eken
Anderson, G.	Bergstrom	Burger	Cohen	Ehoff
Battaglia	Blatz	Carlson, L.	Coleman	Ellingson
Beard	Boo	Clark, J.	Dempsey	Erickson
Begich	Brandl	Clark, K.	DenOuden	Evans

Findlay	Knickerbocker	Neuenschwander	Rice	Sparby
Fjoslien	Knuth	Norton	Riveness	Staten
Forsythe	Kostohryz	O'Connor	Rodosovich	Sviggum
Graba	Krueger	Ogren	Rodriguez, C.	Tomlinson
Greenfield	Kvam	Olsen	Rodriguez, F.	Tunheim
Gruenes	Larsen	Omann	Rose	Uphus
Gutknecht	Levi	Onnen	St. Onge	Valan
Heap	Long	Osthoff	Sarna	Valento
Himle	Mann	Otis	Scheid	Vanasek
Hoffman	Marsh	Pauly	Schoenfeld	Vellenga
Hokr	McEachern	Peterson	Schreiber	Voss
Jacobs	McKasy	Piepho	Seaberg	Waltman
Jennings	Metzen	Piper	Segal	Welch
Jensen	Minne	Price	Shea	Welle
Johnson	Munger	Quinn	Sherman	Wenzel
Kahn	Murphy	Quist	Simoneau	Wigley
Kalis	Nelson, D.	Redalen	Skoglund	Wynia
Kelly	Nelson, K.	Reif	Solberg	Speaker Sieben

Those who voted in the negative were:

Frerichs	Ludeman	Thiede	Welker	Zaffke
Haukoos	Schafer			

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

Mr. Speaker:

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

H. F. No. 1903, A bill for an act relating to local government; permitting refunding of certain bonds; clarifying powers of municipalities with respect to sale of air rights; amending Minnesota Statutes 1982, sections 472A.03; and 472A.06.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Rice moved that the House concur in the Senate amendments to H. F. No. 1903 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1903, A bill for an act relating to local government; permitting the payment of certain legal fees by cities and counties; clarifying powers of municipalities with respect to sale of air rights; permitting refunding of certain bonds; amending Minnesota Statutes 1982, sections 472A.03 and 472A.06; proposing new law coded in Minnesota Statutes, chapter 465.

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

The question was taken on the repassage of the bill and the roll was called. There were 118 yeas and 7 nays as follows:

Those who voted in the affirmative were :

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

Those who voted in the negative were :

DenOuden	Haukoos	Thiede	Welker	Zaffke
Frerichs	Ludeman			

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

Mr. Speaker:

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

H. F. No. 820, 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.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Welch moved that the House concur in the Senate amendments to H. F. No. 820 and that the bill be repassed as amended by the Senate. The motion prevailed.

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 safety certificates of youthful operators; prescribing penalties; creating a three-wheel off-road vehicle safety account in the state treasury; appropriating funds; appropriating money; proposing new law coded in Minnesota Statutes, chapter 84.

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

The question was taken on the repassage of the bill and the roll was called. There were 100 yeas and 23 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Erickson	Krueger	Pauly	Shea
Battaglia	Evans	Kvam	Peterson	Simoneau
Beard	Forsythe	Larsen	Piepho	Skoglund
Begich	Graba	Levi	Piper	Solberg
Bennett	Greenfield	Long	Price	Sparby
Bergstrom	Gruenes	Mann	Quist	Staten
Bishop	Gutknecht	McKasy	Redalen	Thiede
Boo	Heap	Minne	Reif	Tomlinson
Brandl	Himle	Munger	Riveness	Tunheim
Brinkman	Hoffman	Murphy	Rodosovich	Valan
Burger	Hokr	Nelson, D.	Rodriguez, C.	Valento
Carlson, L.	Jacobs	Nelson, K.	Rodriguez, F.	Vanasek
Clark, J.	Jensen	Neuenschwander	Rose	Vellenga
Clark, K.	Johnson	Norton	Sarna	Voss
Clawson	Kahn	O'Connor	Scheid	Welch
Cohen	Kalis	Ogren	Schoenfeld	Welle
Coleman	Kelly	Olsen	Schreiber	Wenzel
Eken	Knickerbocker	Onnen	Seaberg	Wynia
Elioff	Knuth	Osthoff	Segal	Zaffke
Ellingson	Kostohryz	Otis	Shaver	Speaker Sieben

Those who voted in the negative were:

Anderson, G.	Dimler	Jennings	St. Onge	Waltman
Anderson, R.	Findlay	Ludeman	Schafer	Welker
Blatz	Fjoslien	Marsh	Sherman	Wigley
Dempsey	Frerichs	Metzen	Sviggum	
DenOuden	Haukoos	Omann	Uphus	

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

Mr. Speaker:

I hereby announce that the Senate accedes to the request of the House for the return of Senate File No. 1559 for further consideration:

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.

Senate File No. 1559 is herewith transmitted to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

MOTIONS FOR RECONSIDERATION

Otis moved that the vote whereby S. F. No. 1559, as amended, was passed by the House be now reconsidered. The motion prevailed.

Otis moved that the vote whereby the Otis amendment to S. F. No. 1559 was adopted by the House be now reconsidered. The motion prevailed.

The Otis amendment to S. F. No. 1559, was again reported to the House.

Otis withdrew the amendment to S. F. No. 1559.

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 third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 68 yeas and 52 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Eken	Long	Peterson	Sparby
Anderson, G.	Elioff	Mann	Piper	Staten
Battaglia	Ellingson	Metzen	Price	Tomlinson
Beard	Greenfield	Minne	Quinn	Tunheim
Begich	Hoffman	Munger	Riveness	Vanasek
Bergstrom	Jacobs	Murphy	Rodosovich	Vellenga
Brandl	Jensen	Nelson, D.	Rodriguez, F.	Voss
Brinkman	Kahn	Nelson, K.	Sarna	Welch
Carlson, L.	Kalis	Neuenschwander	Schoenfeld	Welle
Clark, J.	Kelly	Norton	Segal	Wenzel
Clark, K.	Knuth	O'Connor	Shea	Wynia
Clawson	Kostohryz	Ogren	Simoneau	Speaker Sieben
Cohen	Krueger	Osthoff	Skoglund	
Coleman	Larsen	Otis	Solberg	

Those who voted in the negative were:

Anderson, R.	Fjoslien	Johnson	Piepho	Thiede
Bennett	Forsythe	Knickerbocker	Quist	Uphus
Blatz	Frerichs	Kvam	Redalen	Valan
Boo	Graba	Levi	Reif	Valento
Burger	Gruenes	Ludeman	Rose	Waltman
Dempsey	Gutknecht	Marsh	Schafer	Welker
DenOuden	Haukoos	McEachern	Schreiber	Wigley
Dimler	Heap	Olsen	Seaberg	Zaffke
Erickson	Himle	Omann	Shaver	
Evans	Hokr	Onnen	Sherman	
Findlay	Jennings	Pauly	Sviggun	

The bill was passed and its title agreed to.

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

S. F. No. 1563.

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. 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.

April 24, 1984

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. 1563, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendment and that S. F. No. 1563 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1983 Supplement, section 150A.08, subdivision 8, is amended to read:

Subd. 8. [SUSPENSION OF LICENSE.] In addition to any other remedy provided by law, the board may, through its designated board members pursuant to section 214.10, subdivision 2, temporarily suspend a license or registration without a hearing if the board finds that the licensee or registrant has violated a statute or rule which the board is empowered to enforce and continued practice by the licensee or registrant would create an imminent risk of harm to others. The suspension shall take effect upon written notice to the licensee or registrant served by first class mail specifying the statute or rule violated, and the

time, date, and place of the hearing before the board. If the notice is returned by the post office, the notice shall be effective upon reasonable attempts to locate and serve the licensee or registrant. Within ten days of service of the notice, the board shall hold a hearing before its own members on the sole issue of whether there is a reasonable basis to continue, modify, or lift the suspension. Evidence presented by the board, licensee, or registrant, shall be in affidavit form only. The licensee or registrant or his counsel may appear for oral argument. Within five working days after the hearing, the board shall issue its order and, if the suspension is continued, the board shall schedule a disciplinary hearing to be held pursuant to the Administrative Procedure Act within 45 days of issuance of the order. The hearing examiner shall issue a report within 30 days of the closing of the contested case hearing record. The board shall issue a final order within 30 days of receiving that report. *The board may allow a person who was licensed by any state to practice dentistry and whose license has been suspended to practice dentistry under the supervision of a licensed dentist for the purpose of demonstrating his or her competence and eligibility for reinstatement.*

Sec. 2. Minnesota Statutes 1983 Supplement, section 181A.12, subdivision 1, is amended to read:

Subdivision 1. [FINES; PENALTY.] Any employer who hinders or delays the department or its authorized representative in the performance of its duties under sections 181A.01 to 181A.12 or refuses to admit the commissioner or his authorized representative to any place of employment or refuses to make certificates or lists available as required by sections 181A.01 to 181A.12, or otherwise violates any provisions of sections 181A.01 to 181A.12 or any rules issued pursuant thereto shall be assessed a fine to be paid to the commissioner for deposit in the general fund. The fine may be recovered in a civil action in the name of the department brought in the district court of the county where the violation is alleged to have occurred or the district court where the commissioner has an office. Fines are in the amounts as follows:

- (a) employment of minors under the age of 14
(each employee) \$ 50
- (b) employment of minors under the age of 16
during school hours while school is in session
(each employee) 50
- (c) employment of minors under the age of 16
before 7:00 a.m. (each employee) 50
- (d) employment of minors under the age of 16
after 9:30 p.m. (each employee) 50

(e) employment of minors under the age of 16 over eight hours a day (<i>each employee</i>)	50
(f) employment of minors under the age of 16 over 40 hours a week (<i>each employee</i>)	50
(g) employment of minors under the age of 18 in hazardous occupations (<i>each employee</i>)	100
(h) employment of minors under the age of 16 in hazardous occupations (<i>each employee</i>)	100
(i) minors under the age of 18 injured in hazardous employment (<i>each employee</i>)	500
(j) minors employed without proof of age (<i>each employee</i>)	5

An employer who refuses to make certificates or lists available as required by sections 181A.01 to 181A.12 shall be assessed a \$500 fine.

An employer who engages in a consistent and repeated pattern of violations of sections 181A.01 to 181A.12 is *also* guilty of a gross misdemeanor.

Sec. 3. Minnesota Statutes 1983 Supplement, section 363.02, subdivision 1, is amended to read:

Subdivision 1. [EMPLOYMENT.] The provisions of section 363.03, subdivision 1, shall not apply to:

- (1) The employment of any individual
 - (a) by his parent, grandparent, spouse, child, or grandchild, or
 - (b) in the domestic service of any person;
- (2) A religious or fraternal corporation, association, or society, with respect to qualifications based on religion, when religion shall be a bona fide occupational qualification for employment;
- (3) The employment of one person in place of another, standing by itself, shall not be evidence of an unfair discriminatory practice;
- (4) (AN AGE RESTRICTION APPLIED UNIFORMLY AND WITHOUT EXCEPTION TO ALL INDIVIDUALS ESTABLISHED BY A BONA FIDE APPRENTICESHIP

PROGRAM ESTABLISHED PURSUANT TO CHAPTER 178, WHICH LIMITS PARTICIPATION TO PERSONS WHO ENTER THE PROGRAM PRIOR TO SOME SPECIFIED AGE AND THE TRADE INVOLVED IN THE PROGRAM PREDOMINANTLY INVOLVES HEAVY PHYSICAL LABOR OR WORK ON HIGH STRUCTURES. AFTER JANUARY 1, 1984, THESE AGE RESTRICTIONS ARE EXEMPT FROM THE PROVISIONS OF SECTION 363.03, SUBDIVISION 1 ONLY TO THE EXTENT THAT THEY ARE DECLARED EXEMPT IN RULES ADOPTED BY THE COMMISSIONER ACCORDING TO CHAPTER 14. THE COMMISSIONER MUST ADOPT RULES GOVERNING THIS SUBJECT BEFORE JANUARY 1, 1984, AND IS AUTHORIZED TO ADOPT TEMPORARY, AS WELL AS PERMANENT RULES FOR THIS PURPOSE. NEITHER SHALL) The operation of a bona fide seniority system which mandates differences in such things as wages, hiring priorities, lay-off priorities, vacation credit, and job assignments based on seniority, (BE A VIOLATION OF THE AGE DISCRIMINATION PROVISIONS OF SECTION 363.03, SUBDIVISION 1,) so long as the operation of the system is not a subterfuge to evade the provisions of chapter 363;

(5) With respect to age discrimination, a practice by which a labor organization or employer offers or supplies varying insurance benefits or other fringe benefits to members or employees of differing ages, so long as the cost to the labor organization or employer for the benefits is reasonably equivalent for all members or employees;

(6) A restriction imposed by state statute, home rule charter, ordinance, or civil service rule, and applied uniformly and without exception to all individuals, which establishes a maximum age for entry into employment as a peace officer or firefighter.

(7) Nothing in this chapter concerning age discrimination shall be construed to validate or permit age requirements which have a disproportionate impact on persons of any class otherwise protected by section 363.03, subdivision 1 or 5.

It is not an unfair employment practice for an employer, employment agency or labor organization:

(i) to require or request a person to undergo physical examination, which may include a medical history, for the purpose of determining the person's capability to perform available employment, provided (a) that an offer of employment has been made on condition that the person meets the physical or mental requirements of the job; (b) that the examination tests only for essential job-related abilities; and (c) that the examination, unless limited to determining whether the person's disability would

prevent performance of the job, is required of all persons conditionally offered employment for the same position regardless of disability; or

(ii) with the consent of the employee, to obtain additional medical information for the purposes of establishing an employee health record;

(iii) to administer pre-employment tests, provided that the tests (a) measure only essential job-related abilities, (b) are required of all applicants for the same position regardless of disability unless limited to determining whether the person's disability would prevent performance of the job, and (c) accurately measure the applicant's aptitude, achievement level, or whatever factors they purport to measure rather than reflecting the applicant's impaired sensory, manual, or speaking skills, except when those skills are the factors that the tests purport to measure; or

(iv) to limit receipt of benefits payable under a fringe benefit plan for disabilities to that period of time which a licensed physician reasonably determines a person is unable to work; or

(v) to provide special safety considerations for pregnant women involved in tasks which are potentially hazardous to the health of the unborn child, as determined by medical criteria.

Sec. 4. Minnesota Statutes 1982, section 541.07, is amended to read:

541.07 [TWO OR THREE YEAR LIMITATIONS.]

Except where the uniform commercial code or this section otherwise prescribes, the following actions shall be commenced within two years:

(1) For libel, slander, assault, battery, false imprisonment, or other tort, resulting in personal injury, and all actions against physicians, surgeons, dentists, other health care professionals as defined in section 145.61, and veterinarians as defined in chapter 156, hospitals, sanatoriums, for malpractice, error, mistake or failure to cure, whether based on contract or tort; provided a counter-claim may be pleaded as a defense to any action for services brought by a physician, surgeon, dentist or other health care professional or veterinarian, hospital or sanatorium, after the limitations herein described notwithstanding it is barred by the provisions of this chapter, if it was the property of the party pleading it at the time it became barred and was not barred at the time the claim sued on originated, but no judgment thereof except for costs can be rendered in favor of the party so pleading it;

- (2) Upon a statute for a penalty or forfeiture;
- (3) For damages caused by a dam, other than a dam used for commercial purposes; but as against one holding under the pre-emption or homestead laws, the limitations shall not begin to run until a patent has been issued for the land so damaged;
- (4) Against a master for breach of an indenture of apprenticeship; the limitation runs from the expiration of the term of service;
- (5) For the recovery of wages or overtime or damages, fees or penalties accruing under any federal or state law respecting the payment of wages or overtime or damages, fees or penalties *except, that if the employer fails to submit payroll records by a specified date upon request of the department of labor and industry or if the nonpayment is willful and not the result of mistake or inadvertence, the limitation is three years.* (The term "wages" means all remuneration for services or employment, including commissions and bonuses and the cash value of all remuneration in any medium other than cash, where the relationship of master and servant exists and the term "damages," means single, double, or treble damages, accorded by any statutory cause of action whatsoever and whether or not the relationship of master and servant exists);
- (6) For damages caused by the establishment of a street or highway grade or a change in the originally established grade;
- (7) For sales or use taxes imposed by the laws of any other state;
- (8) Against the person who applies the pesticide for injury or damage to property resulting from the application, but not the manufacture or sale, of a pesticide.

Sec. 5. 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. 6. [EFFECTIVE DATE.]

Section 5 is effective upon compliance with Minnesota Statutes, section 645.021."

Delete the title and insert:

"A bill for an act relating to labor; permitting the practice of dentistry under supervision of a licensed dentist; clarifying child labor penalties; removing the exemption for certain individuals from unfair discriminatory practices; extending the statute of limitation on certain actions to recover wages or overtime; removing food service workers from School District No. 709 civil service; amending Minnesota Statutes 1982, section 541.07; Minnesota Statutes 1983 Supplement, sections 150A.08, subdivision 8; 181A.12, subdivision 1; and 363.02, subdivision 1; and Laws 1967, chapter 252, section 2, as amended."

We request adoption of this report and repassage of the bill.

Senate Conferees: FLORIAN CHMIELEWSKI, MEL FREDERICK and BOB LESSARD.

House Conferees: RICH O'CONNOR, JOSEPH R. BEGICH and JIM EVANS.

O'Connor moved that the report of the Conference Committee on S. F. No. 1563 be adopted and that the bill be repassed as amended by the Conference Committee. 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 third time, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 93 yeas and 26 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Brinkman	Elioff	Gutknecht	Kvam
Battaglia	Carlson, L.	Ellingson	Jacobs	Larsen
Beard	Clark, J.	Evans	Jensen	Levi
Begich	Clark, K.	Findlay	Johnson	Long
Bennett	Clawson	Fjoslien	Kahn	Mann
Bergstrom	Cohen	Forsythe	Kelly	Marsh
Bishop	Coleman	Graba	Knuth	McEachern
Blatz	Dempsey	Greenfield	Kostohryz	McKasy
Brandl	Eken	Gruenes	Krueger	Metzen

Minne	Onnen	Rodosovich	Sherman	Vanasek
Munger	Osthoff	Rodriguez, C.	Simoneau	Vellenga
Murphy	Otis	Rodriguez, F.	Solberg	Voss
Nelson, D.	Peterson	Rose	Sparby	Welch
Nelson, K.	Piper	St. Onge	Staten	Welle
Neuenschwander	Price	Sarna	Swiggum	Wenzel
Norton	Quinn	Scheid	Tomlinson	Wynia
O'Connor	Redalen	Schoenfeld	Tunheim	Speaker Sieben
Ogren	Reif	Seaberg	Valan	
Omann	Riveness	Segal	Valento	

Those who voted in the negative were:

Anderson, B.	Frerichs	Knickerbocker	Quist	Thiede
Boo	Haukoos	Ludeman	Schafer	Uphus
Burger	Himle	Olsen	Shaver	Waltman
DenOuden	Jennings	Pauly	Shea	Welker
Dimler	Kalis	Piepho	Skoglund	Zaffke
Erickson				

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

MOTIONS AND RESOLUTIONS

Long moved that her name be stricken as an author on H. F. No. 1577. The motion prevailed.

Graba moved that the name of Wenzel be added as an author on H. F. No. 2289. The motion prevailed.

Graba moved that the name of Olsen be added as an author on H. F. No. 2312. The motion prevailed.

Graba moved that the name of Krueger be added as an author on H. F. No. 2312. The motion prevailed.

Scheid moved that the name of Wenzel be added as an author on H. F. No. 2341. The motion prevailed.

Vellenga moved that the name of Sparby be added as an author on House Advisory No. 72. 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 File was introduced:

McDonald, Schoenfeld, Jensen, DenOuden and Schafer introduced:

H. F. No. 2345, A bill for an act relating to the environment; prohibiting underground disposal of hazardous waste; prescrib-

ing penalties; amending Minnesota Statutes 1982, section 115A.03, subdivision 10; proposing new law coded in Minnesota Statutes, chapter 116.

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

HOUSE ADVISORIES

The following House Advisories were introduced:

Peterson, Welle and Schoenfeld introduced:

H. A. No. 77, A proposal to study traffic safety education.

The advisory was referred to the Committee on Education.

Clark, K.; Eken; Munger; St. Onge and Evans introduced:

H. A. No. 78, A proposal to the DNR to report on certain activities of the Indian Land Claims Law.

The advisory was referred to the Committee on Environment and Natural Resources.

Clark, K.; Swanson; Vanasek; Skoglund and Bishop introduced:

H. A. No. 79, A proposal to study adoption.

The advisory was referred to the Committee on Judiciary.

Kelly and Munger introduced:

H. A. No. 80, A proposal to study the potential problems related to underground fuel storage.

The advisory was referred to the Committee on Environment and Natural Resources.

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

H. F. No. 1743, A bill for an act relating to occupations and professions; removing an auctioneer's exemption from real es-

tate brokers and salespersons licensing; amending Minnesota Statutes 1983 Supplement, section 82.18.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said House File is herewith returned to the House.

PATRICK E. 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. 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, sections 94.343, subdivision 1; and 94.349, subdivision 3.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

S. F. No. 1349.

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. 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.

April 20, 1984

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. 1349, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendments and that S. F. No. 1349 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1983 Supplement, section 182.651, subdivision 18, is amended to read:

Subd. 18. The following substances or mixtures are not hazardous substances if they are:

(a) products intended for personal consumption by employees in the workplace;

(b) consumer products packaged for distribution to, and used by, the general public, including any product used by an employer or the employer's employees in the same form, concentration, and manner as it is sold to consumers, and to the employer's knowledge, employee exposure is not significantly greater than the consumer exposure occurring during principal consumer use of the product;

(c) any article, including but not limited to, an item of equipment or hardware, which contains a hazardous substance, if the substance is present in a solid form which does not create a health hazard as a result of being handled by an employee;

(d) any hazardous substance that is bound and not released under normal conditions of work or in a reasonably foreseeable occurrence resulting from workplace operations;

(e) products sold or used in retail food sale establishments and all other retail trade establishments, exclusive of processing and repair work areas; (OR)

(f) "liquor" as defined in section 340.07, subdivision 2 or "non-intoxicating malt liquor" as defined in section 340.001, subdivision 2;

(g) "food" as defined in the Federal Food, Drug, and Cosmetic Act, United States Code, title 27, section 321, et seq.; or

(h) any waste material regulated pursuant to the federal Resource Conservation and Recovery Act, Public Law 94-580, but only with respect to any employer in a business which provides a service of collection, processing, or disposal of such waste.

The commissioner may, by inclusion in the standards adopted pursuant to section 182.655, determine whether any of the following may be excluded from the definitions of hazardous substance or harmful physical agent:

(a) waste products labeled pursuant to the Resource Conservation and Recovery Act;

(b) any substance received by an employee in a sealed package and subsequently sold or transferred in that package, if the seal remains intact while the substance is in the employer's workplace; or

(c) any substance, mixture, or product if present in a physical state, volume, or concentration for which there is no valid and substantial evidence that a significant risk to human health may occur from exposure.

Sec. 2. 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. 3. 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:

(1) further distilled, refined, rectified, or blended within the state; and

(2) bottled within the state and labeled with the importer's own labels after importation into the state.

Sec. 4. Minnesota Statutes 1982, section 340.15, subdivision 1, is amended to read:

Subdivision 1. The unrestricted advertising of intoxicating liquor is hereby declared to be contrary to public policy. Reasonable rules and regulations restricting advertising to prevent it from counteracting temperance education shall be made by the commissioner of public safety. *No regulation shall be construed as prohibiting the advertising of wines by off-sale licensees or municipal liquor stores by means of catalogs distributed by direct mail listing not less than 25 varieties of wine and the price of each.*

Sec. 5. 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. 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 one year 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 addition 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 LIQUOR PATROL LIMITS AND ON-SALE 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 1982, sections 340.57 to 340.59, subject to the limitations of this section.

The number of on-sale intoxicating liquor licenses which may be issued by the city of St. Paul shall be determined by the city council, and is not subject to the limitation contained in Minnesota Statutes, section 340.11, subdivision 5a; except that, until 1990, the number may not exceed one license for every 1,100 population, as determined by the most recent federal decennial census or by any special census taken pursuant to law, and, until 1990, not more than ten new licenses may be issued in any calendar year.

Notwithstanding any law or charter or ordinance provision to the contrary, on-sale intoxicating liquor licenses issued by the city of St. Paul shall be nontransferable after December 31, 1990.

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. [TOWN OF GREENWOOD; OFF-SALE LICENSE.]

Notwithstanding any law to the contrary, the town board of the town of Greenwood in St. Louis County may issue one off-sale liquor license to an establishment located within the town, with the approval of the commissioner of public safety. The license shall not be issued to a premises located within three miles of a municipality operating a municipal liquor store. The fee for the license shall be fixed by the town board in an amount not to exceed \$500 per year. A license issued pursuant to this section shall otherwise be governed by Minnesota Statutes, chapter 340.

Sec. 13. [ST. PAUL, CITY OF; MINNESOTA MUSEUM OF ART.]

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 Minnesota Museum of Art for the premises known as the Jemne Building. The license may, with the prior approval of the governing body of the Minnesota Museum of Art, be used any place on the premises of the Jemne Building 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 Minnesota Museum of Art. 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. 14. [REPEALER.]

Minnesota Statutes 1982, sections 340.73, subdivision 2; 340.78; and 340.81, are repealed. Minnesota Statutes 1982, sections 340.57; 340.58; and 340.59, and Special Laws 1885, chapter 281, section 6, are repealed effective August 1, 1984, contingent upon the approval of section 10 by the St. Paul city council.

Sec. 15. [EFFECTIVE DATE.]

Section 2 is effective the day following final enactment. Sections 7, 8, 9, 11, and 13 are effective on approval by the appropriate governing body and compliance with Minnesota Statutes, section 645.021, subdivision 3. Section 10 is effective August 1, 1984, following approval by the St. Paul city council and compliance with Minnesota Statutes, section 645.021, subdivision 3. Section 12 is effective on approval by the Greenwood town board and compliance with Minnesota Statutes, section 645.021, subdivision 3."

Delete the title and insert:

"A bill for an act relating to liquor; adding liquor, nonintoxicating malt liquor and food to the list of substances exempted from classification as hazardous substances; redefining restaurants for purposes of licensing in St. Louis, Lake and Cook counties; permitting exclusive sale of certain liquors by Minnesota wholesalers, distillers, rectifiers, or bottlers; authorizing the use of wine catalogs by off-sale dealers; imposing a moratorium on new off-sale intoxicating liquor licenses issued by towns; allowing the cities of Roseville and West St. Paul to issue on-sale intoxicating liquor licenses in excess of the number authorized by law; increasing the number of on-sale licenses, modifying the transferability thereof, and abolishing liquor

patrol limits within the city of St. Paul; allowing the city of St. Paul to issue on-sale intoxicating liquor licenses to the Minnesota Museum of Art and the Ordway Music Theatre; 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 town of Greenwood in St. Louis County to issue one off-sale intoxicating liquor license; repealing certain restrictions on territory in the city of St. Paul where licenses may be issued; amending Minnesota Statutes 1982, sections 340.07, subdivision 14; 340.114, by adding a subdivision; 340.15, subdivision 1; and 340.601; Minnesota Statutes 1983 Supplement, section 182.651, subdivision 18; 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."

We request adoption of this report and repassage of the bill.

Senate Conferees: ALLAN H. SPEAR, GENE WALDORF and STEVEN G. NOVAK.

House Conferees: JOEL JACOBS, RICH O'CONNOR, JOHN SARNA, JAMES METZEN and RICHARD E. WIGLEY.

Wynia moved that the House refuse to adopt the Conference Committee report on S. F. No. 1349, and that the bill be returned to the Conference Committee.

A roll call was requested and properly seconded.

The question was taken on the Wynia motion and the roll was called. There were 44 yeas and 72 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	DenOuden	Jennings	Quist	Thiede
Blatz	Dimler	Kahn	Redalen	Tomlinson
Burger	Erickson	Krueger	Rice	Tunheim
Carlson, D.	Findlay	Kvam	Rodriguez, C.	Vellenga
Clark, K.	Fjoslien	Ludeman	Schafer	Waltman
Clawson	Haukoos	Olsen	Shea	Welker
Cohen	Heap	Onnen	Skoglund	Wynia
Coleman	Himle	Otis	Sparby	Zaffke
Dempsey	Hokr	Piepho	Svigum	

Those who voted in the negative were:

Anderson, B.	Brandl	Forsythe	Johnson	Mann
Anderson, G.	Brinkman	Frerichs	Kalis	Marsh
Battaglia	Carlson, L.	Greenfield	Kelly	McEachern
Beard	Clark, J.	Gruenes	Knickerbocker	McKasy
Begich	Eken	Gutknecht	Knuth	Metzen
Bennett	Elioff	Hoffman	Kostohryz	Minne
Bergstrom	Ellingson	Jacobs	Larsen	Nelson, D.
Boo	Evans	Jensen	Levi	Nelson, K.

Norton	Price	Scheid	Solberg	Welch
O'Connor	Quinn	Schoenfeld	Staten	Welle
Ogren	Reif	Schreiber	Uphus	Wenzel
Omann	Rodriguez, F.	Seaberg	Valan	Wigley
Osthoff	Rose	Shaver	Valento	
Pauly	St. Onge	Sherman	Vanasek	
Peterson	Sarna	Simoneau	Voss	

The motion did not prevail.

Jacobs moved that the report of the Conference Committee on S. F. No. 1349 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

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 third time, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 83 yeas and 41 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Evans	Mann	Piper	Simoneau
Anderson, G.	Frerichs	Marsh	Price	Solberg
Anderson, R.	Greenfield	McKasy	Quinn	Sparby
Battaglia	Gutknecht	Metzen	Reif	Staten
Beard	Himle	Minne	Riveness	Tunheim
Begich	Hoffman	Murphy	Rodosovich	Uphus
Bennett	Jacobs	Nelson, K.	Rodriguez, F.	Valan
Bergstrom	Jensen	Neuenschwander	Rose	Valento
Blatz	Johnson	Norton	St. Onge	Vanasek
Boo	Kahn	O'Connor	Sarna	Voss
Brandl	Kalis	Ogren	Scheid	Welch
Brinkman	Kelly	Olsen	Schoenfeld	Welle
Carlson, L.	Knickerbocker	Omann	Schreiber	Wenzel
Clark, J.	Knuth	Osthoff	Seaberg	Wigley
Eken	Kostohryz	Otis	Segal	Speaker Sieben
Elioff	Larsen	Pauly	Shaver	
Ellingson	Levi	Peterson	Sherman	

Those who voted in the negative were:

Burger	Erickson	Jennings	Redalen	Vellenga
Carlson, D.	Findlay	Krueger	Rice	Waltman
Clark, K.	Fjoslien	Kvam	Rodriguez, C.	Welker
Clawson	Forsythe	Long	Schafer	Wynia
Cohen	Graba	Ludeman	Shea	Zaffke
Coleman	Gruenes	McEachern	Skoglund	
Dempsey	Haukoos	Onnen	Sviggum	
DenOuden	Heap	Piepho	Thiede	
Dimler	Hokr	Quist	Tomlinson	

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

MOTIONS AND RESOLUTIONS

Eken introduced:

House Concurrent Resolution No. 12, A house concurrent resolution relating to the delivery of bills to the governor after final adjournment.

SUSPENSION OF RULES

Eken moved that the rules be so far suspended that House Concurrent Resolution No. 12 be now considered and be placed upon its adoption. The motion prevailed.

HOUSE CONCURRENT RESOLUTION NO. 12

A house concurrent resolution relating to the delivery of bills to the governor after final adjournment.

Whereas, the Minnesota Constitution, Article IV, Section 23, authorizes the presentation to the Governor after sine die adjournment of bills that passed in the last three days of the session; *Now, Therefore*,

Be It Resolved by the House of Representatives of the State of Minnesota, the Senate concurring, that upon adjournment sine die of the 73rd regular session of the Legislature, bills shall be presented to the Governor as follows:

(a) The Speaker of the House of Representatives, the Chief Clerk of the House of Representatives, the President of the Senate, and the Secretary of the Senate shall certify and sign each bill in the same manner and upon the same certification as each bill is signed for presentation to the Governor prior to adjournment sine die, and each of those officers shall continue in his designated capacity during the three days following the date of final adjournment.

(b) The Chief Clerk of the House of Representatives and the Secretary of the Senate, in accordance with the rules of the respective bodies and under the supervision and direction of the standing Committee on Rules and Legislative Administration and the standing Committee on Rules and Administration, shall carefully enroll each bill and present them to the Governor in the same manner as each bill is enrolled and presented to the Governor prior to the adjournment of the Legislature sine die.

(c) The Revisor of Statutes shall continue to assist in all of the functions relating to enrollment of bills of the House of Representatives and of the Senate under the supervision of the Chief Clerk of the House of Representatives and the Secretary of the

Senate in the same manner that his assistance was rendered prior to the adjournment of the Legislature sine die.

Be It Further Resolved that the Chief Clerk of the House of Representatives is directed to deliver copies of this resolution to the Governor and the Secretary of State.

Eken moved that House Concurrent Resolution No. 12 be now adopted.

The question was taken on House Concurrent Resolution No. 12 and the roll was called. There were 120 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The motion prevailed and House Concurrent Resolution No. 12 was adopted.

Eken moved that the Speaker appoint a committee of five members of the House to advise the Senate that the House is about to adjourn this 73rd session sine die and to ascertain if there is any business pending. The motion prevailed.

ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a committee to advise the Senate that the House is about to adjourn sine die:

Beard, Bishop, Piper, Pauly and Riveness.

Eken moved that the Speaker appoint a committee of five members of the House to inform the Governor that the House is about to adjourn this 73rd session sine die. The motion prevailed.

ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a committee to advise the Governor that the House is about to adjourn sine die:

Begich, Battaglia, Minne, Clark, J., and Welker.

Carlson, D., moved that his name be stricken as an author on H. F. No. 1577. The motion prevailed.

Eken moved that the House recess subject to the call of the Chair. The motion prevailed.

RECESS

RECONVENED

The House reconvened and was called to order by the Speaker.

There being no objection the order of business reverted to Messages from the Senate.

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

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

H. F. No. 2021, 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.

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. 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 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 15 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.46, subdivisions 1 and 2; 115A.70, by adding a subdivision; 116.07, by adding subdivisions; 116J.88, by adding a subdivision; 290.06, by adding subdivisions; 400.04, subdivision 3; 400.162; 473.181, subdivision 4; 473.801, subdivisions 1 and 4; 473.803, subdivision 3, and by adding a subdivision; 473.811, subdivision 10; and 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; 297A.25, subdivision 1; 473.149, subdivisions 2d and 2e; 473.803, subdivision 1b; 473.823, subdivision 6; and 473.831; proposing new law coded in Minnesota Statutes, chapters 115A and 473; 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 Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

H. F. No. 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; 553.215; 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.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Bishop moved that the House concur in the Senate amendments to H. F. No. 2207 and that the bill be repassed as amended by the Senate. The motion prevailed.

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; correcting 1984 session legislation; amending Minnesota Statutes 1982, sections 14.40; 15.18, as amended; 52.03, subdivision 2, as added; 60B.01, subdivision 1, as amended; 83.26, subdivision 2, as amended; 97.433, subdivision 3; 116C.73; 116D.06, subdivision 1; 123.78, subdivision 1; 156A.04; 161.16, subdivision 4; 169.45; 256C.02; 290.08, subdivision 26, as added; 298.24, subdivision 1, as amended; 302A.115, subdivision 3; 327C.02, subdivision 3;

336.1-101, as amended; 356.23; 356.25; 383A.09, subdivision 5; 412.022, subdivision 1; 473.404, subdivision 6, if added; 480.057, as amended; 501.78, subdivision 4; 524.1-101, as amended; 524.-3-1201; 609.346, subdivision 2; 609.487, subdivision 4; 626.556, subdivision 11, as amended; 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, and as amended; 60A.17, subdivision 6c; 88.644; 102.26, subdivision 3c; 115.071, subdivision 2b; 116J.28, subdivision 3; 124.-195, subdivision 10; 124.2137, subdivision 1; 124.272, subdivision 3; 124A.14, subdivision 1; 144A.071, subdivision 5; 168.126, subdivision 1; 169.123, subdivision 2, as amended; 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; 300.05, subdivision 2, as amended; 325F.09; 393.07, subdivision 1; 420.13; 473.446, subdivision 1, as amended; 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; Laws enacted at the 1984 regular session styled as H. F. Nos. 1156, sections 9 and 13; 1801, section 10, subdivision 5; 2016, article 8, section 2, subdivision 4; 2148, section 2; 2314, section 8; 2317, article 2, section 1; and S. F. Nos. 1336, section 19; 1815, section 1, subdivision 4; 1913, article 1, section 9; 2145, section 1; 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 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 3 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Bennett	Burger	Cohen	Elioff
Anderson, C.	Bergstrom	Carlson, D.	Coleman	Ellingson
Anderson, R.	Bishop	Carlson, L.	Dempsey	Erickson
Battaglia	Boo	Clark, J.	DenOuden	Evans
Beard	Brandl	Clark, K.	Dimler	Findlay
Begich	Brinkman	Clawson	Eken	Fjoslien

Forsythe	Kostohryz	Ogren	Rose	Tomlinson
Frerichs	Krueger	Olsen	St. Onge	Tunheim
Graba	Kvam	Omann	Sarna	Uphus
Greenfield	Larsen	Onnen	Schafer	Valan
Gruenes	Levi	Osthoff	Scheid	Valento
Gutknecht	Long	Otis	Schoenfeld	Vanasek
Haukoos	Mann	Pauly	Schreiber	Vellenga
Heap	Marsh	Peterson	Seaberg	Voss
Himle	McEachern	Piepho	Segal	Waltman
Hoffman	McKasy	Piper	Shaver	Welch
Jacobs	Metzen	Price	Shea	Welle
Jennings	Minne	Quinn	Sherman	Wenzel
Jensen	Munger	Quist	Simoncau	Wigley
Johnson	Murphy	Redalen	Skoglund	Wynia
Kahn	Nelson, D.	Reif	Solberg	Zaffke
Kalis	Nelson, K.	Riveness	Sparby	Speaker Sieben
Kelly	Neuenschwander	Rodosovich	Staten	
Knickerbocker	Norton	Rodriguez, C.	Swiggum	
Knuth	O'Connor	Rodriguez, F.	Thiede	

Those who voted in the negative were:

Ludeman Rice Welker

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

Mr. Speaker:

I hereby announce that the Senate refuses to adopt the Conference Committee report on House File No. 2182, and request that H. F. No. 2182 be returned to the Conference Committee as formerly constituted.

H. F. No. 2182, A bill for an act relating to agriculture; providing for rural Minnesota and its towns; providing for omnibus agricultural law changes; creating the Minnesota milk in schools program; 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; 17A.12; 31.11; 41.56, subdivision 3; Minnesota Statutes 1983 Supplement, sections 16A.80, subdivision 2; 17A.06, subdivision 3; 32.417; 38.02, subdivisions 1 and 3; proposing new law coded in Minnesota Statutes, chapters 17; 17A; and 121.

Said House File is returned to the House.

PATRICK E. FLAHAVER, Secretary of the Senate

Mr. Speaker:

I hereby announce the adoption by the Senate of the following House Concurrent Resolution, herewith returned:

House Concurrent Resolution No. 12, A house concurrent resolution relating to the delivery of bills to the governor after final adjournment.

PATRICK E. FLAHAVEN, Secretary of the Senate

ANNOUNCEMENTS

Welker for the Committee to notify the Governor announced that the Governor had been notified that the House of Representatives is ready to adjourn sine die.

Piper for the Committee to notify the Senate announced that the Senate had been notified that the House of Representatives is ready to adjourn sine die.

MESSAGES FROM THE SENATE, Continued

Mr. Speaker:

This is to notify you that the Senate is about to adjourn the Seventy-Third Legislative Session sine die.

PATRICK E. FLAHAVEN, Secretary of the Senate

MOTION TO ADJOURN SINE DIE

Eken moved that the House adjourn sine die. The motion prevailed and the Speaker declared the House adjourned sine die.

COMMUNICATIONS AND ANNOUNCEMENTS RECEIVED
SUBSEQUENT TO ADJOURNMENT

The following communications were received:

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

April 22, 1984

The Honorable Harry A. Sieben, Jr.
Speaker of the House
276 State Office Building
St. Paul, MN 55155

Dear Speaker Sieben:

I have the honor to inform you that I received, approved, signed and deposited in the Office of the Secretary of State the following House Files:

H. F. No. 1824, 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.

H. F. No. 1835, relating to transportation; allowing prepayment of state contractual obligations to governmental subdivisions under agreements for the construction, improvement, or maintenance of trunk highways.

H. F. No. 1936, relating to elections; changing the time for filing for school district offices.

H. F. No. 1998, relating to commerce; excluding certain securities and commodities agreements from plain language contract regulation.

H. F. No. 2038, relating to local government; providing procedures for making certain contracts.

H. F. No. 2047, 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; designating a bridge as the Veterans Memorial Bridge.

H. F. No. 1445, relating to crimes; defining aggravated criminal damage to property.

H. F. No. 1553, relating to metropolitan government; prescribing the authority of watershed management organizations; providing procedures for boundary changes and termination of watershed districts.

H. F. No. 1652, relating to no-fault insurance; requiring no-fault insurance coverage of certain benefits rather than medicare coverage.

H. F. No. 1809, relating to crimes; authorizing aggregation of thefts in medicaid fraud cases; extending the statute of limitations in medicaid fraud cases.

H. F. No. 1819, relating to health; requiring that hearing aid sellers give buyers a right to cancel their purchase.

Sincerely,

RUDY PERPICH
Governor

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

April 22, 1984

The Honorable Harry A. Sieben, Jr.
Speaker of the House
276 State Office Building
St. Paul, MN 55155

Dear Speaker Sieben:

I have the honor to inform you that I received, approved, signed and deposited in the Office of the Secretary of State the following House File:

H. F. No. 1786, 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.

Sincerely,

RUDY PERPICH
Governor

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

April 23, 1984

The Honorable Harry A. Sieben, Jr.
Speaker of the House
276 State Office Building
St. Paul, MN 55155

Dear Speaker Sieben:

I am today vetoing H. F. No. 1010 relating to real estate conveyances in the city of Thief River Falls.

I understand the concerns raised in this bill. The authors seek to make it easier to record documents under Minnesota's subdivided lands acts.

We object to the device of making exceptions to statewide law. The statutory sections in question permit exceptions in the case of hardship. No additional permissible language should be needed.

I have asked the State Planning Agency to work with the chief authors and other interested parties on this issue during the interim to seek a statewide solution to this problem.

Sincerely,

RUDY PERPICH
Governor

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

April 23, 1984

The Honorable Harry A. Sieben, Jr.
Speaker of the House
276 State Office Building
St. Paul, MN 55155

Dear Speaker Sieben:

I have the honor to inform you that I received, approved, signed and deposited in the Office of the Secretary of State the following House Files:

H. F. No. 523, relating to public utilities; defining scope of independent telephone companies accountable under chapter 237.

H. F. No. 585, relating to commerce; art; regulating the sale of fine prints; providing sales and advertising disclosures; prescribing penalties; defining terms.

H. F. No. 996, 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.

H. F. No. 1058, relating to limited partnerships; providing for withdrawals of certain partners; providing for liabilities of partners.

H. F. No. 1338, relating to elections; clarifying certain provisions relating to voting machines.

H. F. No. 1562, relating to labor; providing for the prompt payment of commissions to commission salespersons who leave or lose their jobs; providing civil penalties for nonprompt payment; providing that wages can be promptly paid through the mail at the request of the employee or salesperson.

H. F. No. 1651, 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.

H. F. No. 1656, relating to commerce; motor fuel franchises; providing for a temporary prohibition on certain building alterations that eliminate service bays.

H. F. No. 1781, relating to taxes; clarifying the consequences of certain conveyances of tax-forfeited land.

H. F. No. 1912, relating to the state agricultural society; changing the authority to make certain contracts.

H. F. No. 1939, relating to commerce; removing preference for Minnesota made materials in state purchasing; clarifying definition of public contract for resident preference.

H. F. No. 2150, relating to legal newspapers; allowing temporary suspension of publication due to financial difficulties.

Sincerely,

RUDY PERPICH
Governor

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

April 23, 1984

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

The Honorable Jerome M. Hughes
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1984 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

<i>S.F. No.</i>	<i>H.F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Date Approved 1984</i>	<i>Date Filed 1984</i>
	1553	411	April 22	April 23
	2047	412	April 22	April 23
	2038	413	April 22	April 23
	1998	414	April 22	April 23
	1936	415	April 22	April 23

<i>S.F.</i> No.	<i>H.F.</i> No.	<i>Session Laws</i> <i>Chapter No.</i>	<i>Date Approved</i> 1984	<i>Date Filed</i> 1984
	1835	416	April 22	April 23
	1824	417	April 22	April 23
	1819	418	April 22	April 23
	1809	419	April 22	April 23
	1652	420	April 22	April 23
	1445	421	April 22	April 23
1454		422	April 22	April 23
1351		423	April 22	April 23
2145		424	April 23	April 23
1891		425	April 23	April 23
1867		426	April 23	April 23
1853		427	April 23	April 23
1768		428	April 23	April 23
1740		429	April 23	April 23
1642		430	April 23	April 23
1495		431	April 23	April 23
1477		432	April 23	April 23
1398		433	April 23	April 23
1196		434	April 23	April 23
1112		435	April 23	April 23
989		436	April 23	April 23
746		437	April 23	April 23
506		438	April 23	April 23
	2150	439	April 23	April 23

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<i>S.F. No.</i>	<i>H.F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Date Approved 1984</i>	<i>Date Filed 1984</i>
	1939	440	April 23	April 23
	1912	441	April 23	April 23
	1786	442	April 22	April 23
	1781	443	April 23	April 23
	1656	444	April 23	April 23
	1651	445	April 23	April 23
	1562	446	April 23	April 23
	1338	447	April 23	April 23
	1058	448	April 23	April 23
	996	449	April 23	April 23
	585	450	April 23	April 23
	523	451	April 23	April 23
1504		452	April 19	April 20

Sincerely,

JOAN ANDERSON GROWE
Secretary of State

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

April 24, 1984

The Honorable Harry A. Sieben, Jr.
Speaker of the House
276 State Office Building
St. Paul, Minnesota 55155

Dear Speaker Sieben:

I have the honor to inform you that I received, approved, signed and deposited in the Office of the Secretary of State, the following House File:

H. F. No. 1393, 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; providing for an equalized early childhood and family education aid and levy; establishing a programs 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.

Sincerely,

RUDY PERPICH
Governor

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

April 24, 1984

The Honorable Harry A. Sieben, Jr.
Speaker of the House
276 State Office Building
St. Paul, MN 55155

Dear Speaker Sieben:

I have the honor to inform you that I received, approved, signed and deposited in the Office of the Secretary of State the following House File:

H. F. No. 1561, 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 evidence 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.

Sincerely,

RUDY PERPICH
Governor

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

April 25, 1984

The Honorable Harry A. Sieben, Jr.
Speaker of the House
276 State Office Building
St. Paul, MN 55155

Dear Speaker Sieben:

I have the honor to inform you that I received, approved, signed and deposited in the Office of the Secretary of State the following House Files:

H. F. No. 1032, relating to local improvements; permitting counties to assess for highway improvements within cities.

H. F. No. 1149, relating to liens; providing a nonpossessory lien on personal property.

H. F. No. 1156, relating to Minnesota Statutes; recodifying the laws governing the office of the revisor of statutes and the publication of Minnesota Statutes; providing for the replacement of gender-specific references with neutral or equal references to gender; imposing duties on the revisor of statutes; setting goals; providing for the accomplishment of goals within existing resources.

H. F. No. 1264, relating to commerce; regulating pipefitters and pipefitting.

H. F. No. 1291, proposing an amendment to the Minnesota Constitution, article XI, section 8; removing the constitutional restrictions on permanent school fund investments; establishing statutory restrictions.

H. F. No. 1304, relating to crimes; providing a penalty for theft of a firearm; providing a penalty for possession of a stolen firearm.

H. F. No. 1347, relating to crimes; prohibiting a person from depriving another of parental, custodial, or visitation rights; imposing penalties; providing for notification in custody or visitation orders of the deprivation of parental rights laws; requiring violations of the parental rights law to be reported under the child abuse reporting law; imposing a penalty.

H. F. No. 1371, relating to state government; providing for a day care center for state employees in the capitol complex.

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

H. F. No. 1404, relating to drainage; providing for correction of certain errors in county or judicial ditch benefits; changing the fee for mailing certain notices.

H. F. No. 1422, 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.

H. F. No. 1509, relating to motor vehicles; prohibiting fees for the return of number plates.

H. F. No. 1522, relating to tax-forfeited land; permitting the sale of certain tax-forfeited land in Mille Lacs County; modifying certain limitations on the sale of tax-forfeited land which borders on or is adjacent to certain waters.

H. F. No. 1533, relating to health; authorizing the board of dentistry to adopt rules relating to special training and education of dentists.

H. F. No. 1633, relating to metropolitan government; allowing the mosquito control district to take certain actions.

H. F. No. 1659, relating to commerce; prohibiting limited partnerships from interposing the defense of usury.

H. F. No. 1695, relating to courts; accelerating the effective date of judicial reorganization in the third and seventh judicial districts.

H. F. No. 1703, relating to local government; authorizing joint exercise of police powers.

H. F. No. 1722, relating to crimes; changing the limitation period for certain criminal sexual conduct offenses.

H. F. No. 1735, 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.

H. F. No. 1753, relating to the city of St. Cloud; giving the city the powers of a port authority.

H. F. No. 1770, relating to the city of Minneapolis; authorizing compensation for members of the park and recreation board and the library board.

H. F. No. 1771, relating to financial institutions; credit unions; providing for reciprocity between Minnesota credit unions and credit unions from states that have enacted similar laws.

H. F. No. 1839, relating to St. Louis County; permitting the county to establish an emergency jobs program.

H. F. No. 2081, relating to local government; changing the authority for licensing and inspecting vending machines.

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.

Sincerely,

RUDY PERPICH
Governor

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

April 25, 1984

The Honorable Harry A. Sieben, Jr.
Speaker of the House
276 State Office Building
St. Paul, Minnesota 55155

Dear Speaker Sieben:

I have the honor to inform you that I received, approved, signed and deposited in the Office of the Secretary of State the following House File:

H. F. No. 2016, relating to financing and operation of government in this state; increasing the budget reserve account; repealing the income tax surtax; providing a tax amnesty; increasing the school agricultural credit; providing for distribution of proceeds from Minnesota breeders fund; changing notice provisions and qualifying debts under the revenue recapture capture act; clarifying the application of the mortgage registry tax to revolving lines of credit; changing refund procedure of motor fuels tax; abolishing the excise tax on boxing; changing the maximum property tax levy of Duluth port authority; exempting hot water heating from St. Paul franchise tax; giving certain powers to the Ramsey-Washington metro watershed district; creating the Croft Historical Park board; giving the city of Cloquet power to contract and levy for public transportation; providing for the conveyance of certain lands in St. Louis County and Morrison County; authorizing levy limit increases for the cities of Breezy Point and Oakdale; abolishing rent capitalization and providing for study by the department of revenue; imposing requirements for disaster relief property tax credits; changing certain assessment ratios; changing eligibility for certain assessment ratios; changing homestead classification treatment; changing property tax statement requirements; delaying imposition of a property tax penalty; providing for notice of sale of certain tax forfeited lands; changing computation of payments in lieu; requiring tax clearance prior to issuance of certain licenses; restoring local government aid payments for 1984; modifying the computation formula for local government aids; providing for a local government aids study commission; changing designation and funding for enterprise zones; changing procedures and eligibility for certain business income tax credits; allowing or increasing income tax deductions for certain dividends and royalties; restricting tax exemptions for redevelopment companies; providing grants for plant expansions; adjusting the computation of taxes on taconite and iron ore and authorizing certain refunds and credits; modifying distributions from the proceeds of the taconite tax; changing computation of agricultural, homestead, and taconite homestead credits; allowing taxing districts to levy for certain purposes; changing the definition of political party for purposes of the political contribution credit; changing the income tax pension exclusion; altering certain gross income modifications; increasing the tuition deduction; providing for the adjustment of income under the farm loss modification; providing for the determination of sales within the state for income tax purposes; changing or eliminating withholding on parimutuel winnings and purses; reenacting rental registration provisions; establishing an agricultural resource loan guaranty program; regulating charitable gambling; requiring prompt payment by state agencies; providing that certain admission taxes are discretionary with the metropolitan sports facilities commission; changing certain transfers to the education aids increase account; exempting sales of candy by nonprofit youth organizations from the sales tax; changing certain provisions relating to sales ratios

and property tax appeals; including logging equipment in the definition of farm machinery; providing a reduced sales tax rate on capital equipment and special tooling; exempting hot water and certain manufactured homes from the sales tax; exempting certain vehicles used in interstate commerce; providing that sales of certain leased vehicles are not exempt; simplifying hydropower lease procedures; clarifying certain exempt land; modifying the definition of wetlands; extending availability of confession of judgment procedures to certain nonhomestead property; modifying and extending the targeting credit for certain years; providing property tax reimbursement for certain transit levies; changing certain procedures for valuing railroad property; providing certain refunds for railroad abatements; appropriating money.

Sincerely,

RUDY PERPICH
Governor

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

April 25, 1984

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

The Honorable Jerome M. Hughes
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1984 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

S.F. No.	H.F. No.	Session Laws Chapter No.	Date Approved 1984	Date Filed 1984
1258		453	April 24	April 24
1622		454	April 24	April 24
1662		455	April 24	April 24
1760		456	April 24	April 24
1794		457	April 24	April 24

<i>S.F. No.</i>	<i>H.F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Date Approved 1984</i>	<i>Date Filed 1984</i>
1807		458	April 24	April 24
1813		459	April 24	April 24
1973		460	April 24	April 24
1977		461	April 24	April 24
1986		462	April 24	April 24
	1393	463	April 24	April 24
	1561	464	April 24	April 24
887		465	April 25	April 25
1365		466	April 25	April 25
1451		467	April 25	April 25
1466		468	April 25	April 25
1469		469	April 25	April 25
1498		470	April 25	April 25
1546		471	April 25	April 25
1575		472	April 25	April 25
1732		473	April 25	April 25
1776		474	April 25	April 25
1849		475	April 25	April 25
1879		476	April 25	April 25
2076		477	April 25	April 25
	1032	478	April 25	April 25
	1149	479	April 25	April 25
	1156	480	April 25	April 25

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<i>S.F. No.</i>	<i>H.F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Date Approved 1984</i>	<i>Date Filed 1984</i>
	1264	481	April 25	April 25
	1291	482	April 25	April 25
	1304	483	April 25	April 25
	1347	484	April 25	April 25
	1371	485	April 25	April 25
	1402	486	April 25	April 25
	1404	487	April 25	April 25
	1422	488	April 25	April 25
	1509	489	April 25	April 25
	1522	490	April 25	April 25
	1533	491	April 25	April 25
	1633	492	April 25	April 25
	1659	493	April 25	April 25
	1695	494	April 25	April 25
	1708	495	April 25	April 25
	1722	496	April 25	April 25
	1735	497	April 25	April 25
	1753	498	April 25	April 25
	1770	499	April 25	April 25
	1771	500	April 25	April 25
	1839	501	April 25	April 25
	2016	502	April 25	April 25
	2081	503	April 25	April 25

S.F. No.	H.F. No.	Session Laws Chapter No.	Date Approved 1984	Date Filed 1984
1243		Resolution No. 12	April 25	April 25
	2180	Resolution No. 13	April 25	April 25

Sincerely,

JOAN ANDERSON GROWE
Secretary of State

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

April 26, 1984

The Honorable Harry A. Sieben, Jr.
Speaker of the House
276 State Office Building
St. Paul, MN 55155

Dear Mr. Speaker:

I have today vetoed H. F. No. 1216 relating to tax exemption for petroleum products used in certain improvements to agricultural lands.

My reason for the veto is my conclusion that taxpayers are treated inequitably by the effective date section of the bill. The tax is forgiven and made uncollectible if the fuel was purchased prior to June 30, 1982 or after the effective date of the act (if signed into law). However, fuel purchased between July 1, 1982, and the effective date would be taxable.

In my opinion, it is unfair to single out those taxpayers in that two year period for imposition of the tax. This basic unfairness warrants a veto.

Sincerely,

RUDY PERPICH
Governor

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

April 26, 1984

The Honorable Harry A. Sieben, Jr.
Speaker of the House
276 State Office Building
St. Paul, MN 55155

Dear Speaker Sieben:

I have today vetoed H. F. No. 1985, a bill for an act relating to the regulating and licensing of salons for estheticians.

This bill would establish a new class of beauty salon and would permit their operation without the direction and supervision of a licensed and qualified cosmetologist. The current statutory requirement that activities of estheticians be under the management of a cosmetologist is, I believe, a good one. It is designed to ensure the protection of the public's health and well-being and should be continued. The argument for this kind of unnecessary tampering with current statute has not been adequately made. Accordingly, I am returning H. F. No. 1985 to you unsigned.

Sincerely,

RUDY PERPICH
Governor

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

April 26, 1984

The Honorable Harry A. Sieben, Jr.
Speaker of the House
276 State Office Building
St. Paul, MN 55155

Dear Speaker Sieben:

I have the honor to inform you that I received, approved, signed and deposited in the Office of the Secretary of State the following House Files:

H. F. No. 756, relating to notarial acts; 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; changing the term of office for notaries public; increasing the bond amount; providing for transfer of notary public commissions.

H. F. No. 1107, relating to the Minnesota veterans home; clarifying the treatment of assets for purposes of calculating maintenance charges.

H. F. No. 1352, 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.

H. F. No. 1405, relating to state monuments; adding the "Monument to the Living" in Ramsey County to the list of state monuments.

H. F. No. 1425, relating to agriculture; providing for alternative methods for establishing the value of milk purchased from producers.

H. F. No. 1421, relating to labor; authorizing certain payroll deductions.

H. F. No. 1428, 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; proposing new law coded in Minnesota Statutes, chapter 299C.

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

H. F. No. 1481, 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.

H. F. No. 1524, 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.

H. F. No. 1528, 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, inheritance tax and property tax refund provisions; making child support withholding permanent; providing for withholding of attorneys fees and costs.

H. F. No. 1606, relating to elections; prohibiting certain inquiries of voters at or near the polls.

H. F. No. 1620, relating to rehabilitation services for blind and visually handicapped persons; authorizing adoption of rules.

H. F. No. 1663, relating to agriculture; making certain changes in apiary law.

H. F. No. 1760, relating to natural resources; authorizing a private sale of certain state fisheries land.

H. F. No. 1778, 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.

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.

H. F. No. 1801, relating to transportation; defining terms; regulating carriers; providing for the classification of explosives.

H. F. No. 1803, relating to Kandiyohi County; authorizing the county to satisfy certain liens according to certain procedures.

H. F. No. 1814, 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.

H. F. No. 1831, relating to transportation; increasing special permit fees for vehicles exceeding weight limitations.

H. F. No. 1846, relating to taxation; authorizing use of proceeds of the taconite occupation tax for economic development loans and grants to businesses.

H. F. No. 1850, relating to statutes; conforming various laws to judicial decisions of unconstitutionality.

H. F. No. 1853, relating to public welfare; providing for rule-making authority for the Community Social Services Act.

H. F. No. 1856, relating to charities; requiring disclosure from professional fund raisers.

H. F. No. 1875, relating to local government; providing for changes in the administration of county nursing homes and the issuance of general obligation bonds for such homes; authorizing the establishment of facilities for the provision of supportive services; allowing for a change in the reporting year for municipal nursing homes.

H. F. No. 1911, relating to state lands; authorizing the sale of a certain lakeshore property in Kandiyohi County, and certain forest land in Fillmore County.

H. F. No. 1920, relating to public welfare; establishing payments for respite care of children who are mentally retarded, have epilepsy, or are emotionally handicapped; establishing a statewide fee schedule for parental cost of care.

H. F. No. 1946, 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.

H. F. No. 1949, 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.

H. F. No. 1950, 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.

H. F. No. 1966, relating to public welfare; providing for the collection of statistical data by the department of health on dissolutions and annulments; restricting the use of certain descriptive words to certain licensed facilities; providing for collection of health care cost information; limiting relative responsibility for state hospital costs; providing appeal rights for former recipients of public assistance; limiting medical assis-

tance and general assistance reimbursements for chemical dependency treatment; extending temporary rulemaking authority for prospective payments for inpatient hospital services; extending administrative aid to counties; 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 relating to asset transfers; increasing the personal needs allowance; reimbursement for additional services under general assistance medical care; providing for recovery of supplemental aid; requiring county investigations; requiring a cost-of-living adjustment to the schedule of contribution of a noninstitutionalized spouse; appropriating money.

H. F. No. 1975, relating to transportation; allowing entire portions of former trunk highways to revert to counties under certain circumstances; allowing town road funds to be used for gravel maintenance; discontinuing a trunk highway route.

H. F. No. 1982, relating to towns; authorizing contracts with nonprofit organizations.

H. F. No. 2006, 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.

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.

H. F. No. 2148, relating to insurance; authorizing the use of smoker and nonsmoker mortality tables; coordinating payments by primary and secondary health insurers; proposing new law coded in Minnesota Statutes, chapters 61A and 62A.

H. F. No. 2188, relating to Indians; providing for partial settlement of Indian land claims on the White Earth Reservation; requiring a report to the legislature; appropriating money.

H. F. No. 2238, relating to natural resources; authorizing the commissioner of natural resources to sell certain lands in Koochiching County; appropriating money.

H. F. No. 2247, relating to public health; exempting increases of less than five swing beds from certificate of need review.

Sincerely,

RUDY PERPICH
Governor

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

April 26, 1984

The Honorable Harry A. Sieben, Jr.
Speaker of the House
276 State Office Building
St. Paul, MN 55155

Dear Speaker Sieben :

I have the honor to inform you that I received, approved, signed and deposited in the Office of the Secretary of State the following House Files :

H. F. No. 432, relating to soil and water conservation; prohibiting in certain counties practices which cause accelerated erosion or sedimentation; extending the joint legislative committee on agricultural land preservation and conservation; prescribing penalties; appropriating money.

H. F. No. 560, relating to Cook County; permitting the sale of certain land.

H. F. No. 950, 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.

H. F. No. 1315, 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; increasing the bicycle registration fee; 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 as the advisory committee on bicycling; appropriating money.

H. F. No. 1386, relating to children; authorizing intervention by the juvenile court to protect children from abuse committed by family or household members; providing for prosecution by the county attorney of certain gross misdemeanors; prohibiting public inspection of certain court records relating to the identity of criminal sexual conduct victims; clarifying a term in the child abuse reporting law.

H. F. No. 1427, 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.

H. F. No. 1466, 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.

H. F. No. 1655, 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.

H. F. No. 1806, relating to public welfare; amending the reporting of maltreatment of minors act; clarifying the roles of law enforcement and local welfare agencies; clarifying language.

H. F. No. 1878, relating to state-regulated occupations; providing for continuing education of building officials; redefining broker-dealer.

H. F. No. 1886, 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.

H. F. No. 1977, relating to public welfare; clarifying the calculation of rates paid to health maintenance organizations; requiring the use of certain presentation materials.

H. F. No. 1999, relating to the City of Duluth; authorizing the expansion of the energy conservation program to include multi-family homes.

H. F. No. 2186, relating to public finance; authorizing the levy of special assessments or service charges for fire protection and pedestrian skyway systems; providing for allocation of federal authority to issue certain state and local obligations.

Sincerely,

RUDY PERPICH
Governor

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

April 26, 1984

The Honorable Harry A. Sieben, Jr.
Speaker of the House
276 State Office Building
St. Paul, MN 55155

Dear Speaker Sieben:

I have the honor to inform you that I received, approved, signed and deposited in the Office of the Secretary of State the following House Files:

H. F. No. 322, relating to local government; prohibiting cities and counties from establishing residency requirements as a condition of employment; providing that the city of Hermantown may allow deferral of special assessment payments where payment would cause hardship.

H. F. No. 1203, relating to landlords and tenants; requiring cities and towns to include notification of rights on certificates or licenses of occupancy; requiring the attorney general to publish a statement informing tenants of their rights and duties under state law.

H. F. No. 1257, relating to occupations and professions; regulating entertainment agencies; providing penalties; proposing new law coded as Minnesota Statutes, chapter 184A.

H. F. No. 1279, 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.

H. F. No. 1382, relating to crimes; clarifying the definition of "inmate" and "term of imprisonment"; providing for the manner of modifying sentencing guidelines and resentencing affected inmates.

H. F. No. 1507, relating to taxation; deed tax; exempting certain partitions.

H. F. No. 1516, relating to local government; authorizing the levy of special assessments or service charges for fire protection systems.

H. F. No. 1678, relating to commerce; clarifying identity between federal savings and loan associations and savings banks; 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; providing for the approval of certain life insurance policies by the commissioner; 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 counter-signature requirement for certain bid bonds and insurance policies; clarifying policy form filing requirements; describing certain requirements for enrollment in the comprehensive health insurance plan; increasing the agents referral fee under the comprehensive health insurance plan; 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"; clarifying certain ambiguous provisions in the No-Fault Automobile Insurance Act; 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; clarifying the powers of the commissioner regarding audits of the compensation reinsurance association; making various technical changes; providing remedies; prescribing penalties; appropriating money.

H. F. No. 1775, 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.

H. F. No. 1815, relating to taxation; property; eliminating obsolete language; making technical changes; and repealing obsolete provisions.

H. F. No. 1915, relating to commerce; providing for the licensing of transient merchants by local units of governments.

H. F. No. 1974, relating to energy; defining residence; establishing energy efficiency standards for public housing; providing remedies for noncompliance with the minimum energy efficiency standards for renter-occupied residences; making other changes.

H. F. No. 2051, 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; authorizing a loan-to-lender program; allocating bonding authority pursuant to a federal limitation act.

H. F. No. 2141, relating to commerce; modifying the definition of "franchise" for purposes of franchise regulation.

H. F. No. 2314, relating to capital improvements; authorizing the acquisition and betterment of 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.

Sincerely,

RUDY PERPICH
Governor

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

April 27, 1984

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

The Honorable Jerome M. Hughes
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1984 Session of the State Legislature have been

received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

<i>S.F. No.</i>	<i>H.F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Date Approved 1984</i>	<i>Date Filed 1984</i>
	756	504	April 25	April 26
	1107	505	April 25	April 26
	1352	506	April 25	April 26
	1405	507	April 25	April 26
	1421	508	April 25	April 26
	1425	509	April 25	April 26
	1428	510	April 25	April 26
	1456	511	April 25	April 26
	1481	512	April 25	April 26
	1524	513	April 25	April 26
	1528	514	April 25	April 26
	1606	515	April 25	April 26
	1620	516	April 25	April 26
	1663	517	April 25	April 26
	1760	518	April 25	April 26
	1778	519	April 25	April 26
	1801	520	April 25	April 26
	1803	521	April 25	April 26
	1814	522	April 25	April 26
	1831	523	April 25	April 26
	1846	524	April 25	April 26
	1850	525	April 25	April 26

<i>S.F.</i> <i>No.</i>	<i>H.F.</i> <i>No.</i>	<i>Session Laws</i> <i>Chapter No.</i>	<i>Date Approved</i> 1984	<i>Date Filed</i> 1984
	1853	526	April 25	April 26
	1856	527	April 25	April 26
	1875	528	April 25	April 26
	1911	529	April 25	April 26
	1920	530	April 25	April 26
	1946	531	April 25	April 26
	1949	532	April 25	April 26
	1950	533	April 25	April 26
	1966	534	April 25	April 26
	1975	535	April 25	April 26
	1982	536	April 25	April 26
	2006	537	April 25	April 26
	2148	538	April 25	April 26
	2188	539	April 25	April 26
	2238	540	April 25	April 26
	2247	541	April 25	April 26
	311	542	April 25	April 26
1298		543	April 25	April 26
1408		544	April 25	April 26
1418		545	April 25	April 26
1435		546	April 25	April 26
1492		547	April 25	April 26
1511		548	April 25	April 26
1520		549	April 25	April 26

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<i>S.F.</i> <i>No.</i>	<i>H.F.</i> <i>No.</i>	<i>Session Laws</i> <i>Chapter No.</i>	<i>Date Approved</i> <i>1984</i>	<i>Date Filed</i> <i>1984</i>
1589		550	April 25	April 26
1683		551	April 25	April 26
1750		552	April 25	April 26
1790		553	April 25	April 26
1815		554	April 25	April 26
1862		555	April 25	April 26
1883		556	April 25	April 26
1903		557	April 25	April 26
1913		558	April 25	April 26
1931		559	April 25	April 26
1954		560	April 25	April 26
1978		561	April 25	April 26
2072		562	April 25	April 26
2165		563	April 25	April 26
147		564	April 26	April 26
1337		565	April 26	April 26
1473		566	April 26	April 26
1762		567	April 26	April 26
1859		568	April 26	April 26
	432	569	April 26	April 26
	560	570	April 26	April 26
	950	571	April 26	April 26
	1315	572	April 26	April 26
	1386	573	April 26	April 26

<i>S.F. No.</i>	<i>H.F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Date Approved 1984</i>	<i>Date Filed 1984</i>
	1427	574	April 26	April 26
	1466	575	April 26	April 26
	1655	576	April 26	April 26
	1806	577	April 26	April 26
	1878	578	April 26	April 26
	1886	579	April 26	April 26
	1977	580	April 26	April 26
	1999	581	April 26	April 26
	2186	582	April 26	April 26
	1775	583	April 26	April 26
	2051	584	April 26	April 26
	322	585	April 26	April 26
	1203	586	April 26	April 26
	1257	587	April 26	April 26
	1279	588	April 26	April 26
	1382	589	April 26	April 26
	1507	590	April 26	April 26
	1516	591	April 26	April 26
	1678	592	April 26	April 26
	1815	593	April 26	April 26
	1915	594	April 26	April 26
	1974	595	April 26	April 26
	2141	596	April 26	April 26
	2314	597	April 26	April 26
1974		598	April 26	April 26
1114		599	April 26	April 26

<i>S.F. No.</i>	<i>H.F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Date Approved 1984</i>	<i>Date Filed 1984</i>
1403		600	April 26	April 26
1789		601	April 26	April 26
1810		602	April 26	April 26
1821		603	April 26	April 26
1826		604	April 26	April 26
531		Resolution No. 14	April 25	April 26
751		Resolution No. 15	April 25	April 26
2083		Resolution No. 16	April 25	April 26
2109		Resolution No. 17	April 25	April 26
	2134	Resolution No. 18	April 25	April 26
	1800	Resolution No. 19	April 25	April 26
2164		Resolution No. 20	April 26	April 26

Sincerely,

JOAN ANDERSON GROWE
Secretary of State

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

May 2, 1984

The Honorable Harry A. Sieben, Jr.
Speaker of the House
276 State Office Building
St. Paul, Minnesota 55155

Dear Speaker Sieben:

I have the honor to inform you that I received, approved, signed and deposited in the Office of the Secretary of State the following House Files:

H. F. No. 1559, 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.

H. F. No. 1991, relating to government operations; regulating public employee leave of absences; providing for civil service exams for handicapped persons; authorizing the commissioner of employee relations to negotiate insurance premium rates; providing for unclassified positions; modifying the appeal of court-martial proceedings for employees in the state military forces.

H. F. No. 2317, 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.

H. F. No. 2098, relating to public welfare; requiring financial statements by providers of continuing care facilities; allowing residents to form associations; revising procedures for determining operating cost payment rates for nursing homes; providing for a study; limiting control of waived services; regulating continuing care facilities; appropriating money.

H. F. No. 2021, 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.

H. F. No. 2207, relating to Minnesota Statutes; correcting erroneous, ambiguous, omitted, and obsolete references and text; eliminating certain redundant, conflicting, and superseded provisions; reenacting certain laws; correcting 1984 session legislation.

H. F. No. 1961, 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.

H. F. No. 1903, relating to local government; permitting the payment of certain legal fees by cities and counties; clarifying powers of municipalities with respect to sale of air rights; permitting refunding of certain bonds.

H. F. No. 1766, relating to local government; requiring every political subdivision to establish equitable compensation relationships among its employees; permitting the town of Windemere to have the powers of a metropolitan area town.

H. F. No. 1761, relating to taxation; releasing certain counties from the requirement to impose an aggregate removal tax; adding other counties; providing an exception to the tax for Benton and Stearns counties.

H. F. No. 1743, relating to occupations and professions; modifying an auctioneer's exemption from real estate brokers and salespersons licensing.

H. F. No. 1577, 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.

H. F. No. 1532, relating to agriculture; designating milk as the official state drink.

H. F. No. 994, relating to mediation; providing for mediation of disputes; providing penalties.

H. F. No. 820, relating to recreational vehicles; requiring a three-year registration fee for three-wheel off-road vehicles; requiring safety certificates of youthful operators; prescribing penalties; creating a three-wheel off-road vehicle safety account in the state treasury; appropriating funds; appropriating money.

H. F. No. 533, relating to state government; providing for legislative expenses.

Sincerely,

RUDY PERPICH
Governor

JOURNAL OF THE HOUSE

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

May 2, 1984

The Honorable Harry A. Sieben, Jr.
Speaker of the House
276 State Office Building
St. Paul, Minnesota 55155

Dear Speaker Sieben:

I have the honor to inform you that I received, approved, signed and deposited in the Office of the Secretary of State the following House File:

H. F. No. 1587, relating to public employment; providing that no public business shall be conducted on Martin Luther King's birthday; allowing school districts and state colleges to conduct classes on Martin Luther King's birthday provided there is a patriotic observance of the day.

Sincerely,

RUDY PERPICH
Governor

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

May 7, 1984

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

The Honorable Jerome M. Hughes
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1984 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

JOURNAL OF THE HOUSE

10271

<i>S.F. No.</i>	<i>H.F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Date Approved 1984</i>	<i>Date Filed 1984</i>
881		605	May 2	May 3
992		606	May 2	May 3
1976		607	May 2	May 3
1563		608	May 2	May 3
1442		609	May 2	May 3
2138		610	May 2	May 3
1559		611	May 2	May 3
1330		612	May 2	May 3
1407		613	May 2	May 3
1235		614	May 2	May 3
1562		615	May 2	May 3
1614		616	May 2	May 3
1628		617	May 2	May 3
2016		618	May 2	May 3
1736		619	May 2	May 3
120		620	May 2	May 3
1048		621	May 2	May 3
1336		622	May 2	May 3
2108		623	May 2	May 3
1560		624	May 2	May 3
1561		625	May 2	May 3
1349		626	May 2	May 3
1441		627	May 2	May 3
2046		628	May 2	May 3

<i>S.F.</i> No.	<i>H.F.</i> No.	<i>Session Laws</i> <i>Chapter No.</i>	<i>Date Approved</i> 1984	<i>Date Filed</i> 1984
1702		629	May 2	May 3
1905		630	May 2	May 3
1884		631	May 2	May 3
1455		632	May 2	May 3
1880		633	May 2	May 3
1007		634	May 2	May 3
924		635	May 2	May 3
433		636	May 2	May 3
2102		637	May 2	May 3
2043		638	May 2	May 3
1914		639	May 2	May 3
1864		640	May 2	May 3
2098		641	May 2	May 3
1991		642	May 2	May 3
1559		643	May 2	May 3
1577		644	May 2	May 3
1532		645	May 2	May 3
994		646	May 2	May 3
820		647	May 2	May 3
533		648	May 2	May 3
1961		649	May 2	May 3
1903		650	May 2	May 3

S.F. No.	H.F. No.	Session Laws Chapter No.	Date Approved 1984	Date Filed 1984
	1766	651	May 2	May 3
	1761	652	May 2	May 3
	1743	653	May 2	May 3
	2317	654	May 2	May 3
	2207	655	May 2	May 3
	1587	656	May 2	May 3
	2021	Resolution No. 21	May 2	May 3

Sincerely,

JOAN ANDERSON GROWE
Secretary of State

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

May 7, 1984

The Honorable Harry A. Sieben, Jr.
Speaker of the House
276 State Office Building
St. Paul, Minnesota 55155

Dear Speaker Sieben:

I have the honor to inform you that I received, approved, signed and deposited in the Office of the Secretary of State the following House File:

H. F. No. 229, relating to health; allowing any interested person to seek enforcement of certain patient rights.

Sincerely,

RUDY PERPICH
Governor

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

May 9, 1984

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

The Honorable Jerome M. Hughes
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1984 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

<i>S.F. No.</i>	<i>H.F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Date Approved 1984</i>	<i>Date Filed 1984</i>
	229	657	May 7	May 8
2030		658	May 7	May 8

Sincerely,

JOAN ANDERSON GROWE
Secretary of State

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

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

The Honorable Jerome M. Hughes
President of the Senate

I have the honor to inform you that the following Concurrent Resolution of the 1984 Session of the State Legislature has been received from the Office of the Governor and is deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

<i>Senate Concurrent Resolution No.</i>	<i>H.F No.</i>	<i>Session Laws Chapter No.</i>	<i>Date Approved 1984</i>	<i>Date Filed 1984</i>
17		Resolution No. 22	May 31	May 31

Sincerely,

JOAN ANDERSON GROWE
Secretary of State

CERTIFICATE

I certify that the Journal of the House for Tuesday, April 24, 1984, including subsequent proceedings, has been corrected and is hereby approved.

EDWARD A. BURDICK, Chief Clerk, House of Representatives